On April 9, 2020, Puerto Rico's Governor Wanda Vázquez Garced signed Law No. 37-2020 (Law 37) which grants a special paid leave of five working days for private sector non-exempt employees who suffer, or are suspected of suffering, from COVID-19 or any other sickness that has resulted in the declaration of emergency by the Governor or Secretary of Health. The recently enacted Law 37 amends Puerto Rico's Law No. 180-1998 ("Law 180"), which already grants and regulates mandatory paid vacation and sick leave benefits to hourly employees. Since Law 180 does not cover "executives," "administrators," or "professionals," as such terms are defined by the Fair Labor Standards Act and Puerto Rico's Regulation 13, such employees are excluded from the provisions of Law 37.

Under Law 37, covered employees affected (or suspected of being affected) by COVID-19 or a sickness recognized by a "State of Emergency" are entitled to use all of their accrued vacation and sick leave days, as well as any other paid leave or benefit the employee may be eligible to receive. If, upon exhausting all these leaves, the employee continues to be afflicted with a covered sickness, the employee will then be entitled to this emergency paid leave of up to five (5) working days to cover his/her sickness-related absences.

The full impact of Law 37 must also be weighed in light of the Families First Coronavirus Response Act ("FFCRA"), which became effective on April 1, 2020. The paid sick leave granted to covered employees under the FFCRA is in addition to any other paid time off employers provide voluntarily or as required by any other law.