Minimum Wages Under Executive Order 13658 (DEC 2015)

(b) Executive Order minimum wage rate.

(2) The Contractor shall adjust the minimum wage paid, if necessary, beginning January 1, 2016, and annually thereafter, to meet the applicable annual E.O. minimum wage. The Administrator of the Department of Labor’s Wage and Hour Division (the Administrator) will publish annual determinations in the Federal Register no later than 90 days before the effective date of the new E.O. minimum wage rate. The Administrator will also publish the applicable E.O. minimum wage on www.wdol.gov (or any successor Web site), and a general notice on all wage determinations issued under the Service Contract Labor Standards statute or the Wage Rate Requirements (Construction) statute, that will provide information on the E.O. minimum wage and how to obtain annual updates. The applicable published E.O. minimum wage is incorporated by reference into this contract.

(3)(i) The Contractor may request a price adjustment only after the effective date of the new annual E.O. minimum wage determination. Prices will be adjusted only for increased labor costs (including subcontractor labor costs) as a result of an increase in the annual E.O. minimum wage, and for associated labor costs (including those for subcontractors). Associated labor costs shall include increases or decreases that result from changes in social security and unemployment taxes and workers’ compensation insurance, but will not otherwise include any amount for general and administrative costs, overhead, or profit.

7. Amend 52.244–6 by revising the date of the clause and paragraph (c)(1)(xi) to read as follows:

52.244–6 Subcontracts for Commercial Items.

Subcontracts for Commercial Items (DEC 2015)

PART I—FEDERAL ACQUISITION REGULATIONS SYSTEM

1. The authority citation for 48 CFR part 1 continues to read as follows:

SUPPLEMENTARY INFORMATION: In order to update a certain element in 48 CFR part 1 this document makes an editorial change to the FAR.

List of Subject in 48 CFR Part 1

Government procurement.

Dated: November 20, 2015.

William Clark,

Director, Office of Government-wide Acquisition Policy, Office of Acquisition Policy, Office of Government-wide Policy.

Thereafter, DoD, GSA, and NASA amend 48 CFR part 1 as set forth below:

PART I—FEDERAL ACQUISITION REGULATIONS SYSTEM

1. The authority citation for 48 CFR part 1 continues to read as follows:

Authority: 40 U.S.C. 121(c); 10 U.S.C. chapter 137; and 51 U.S.C. 20113.

RULES LISTED IN FAC 2005–85
SUPPLEMENTARY INFORMATION:

Summaries for each FAR rule follow. For the actual revisions and/or amendments made by these rules, refer to the specific item numbers and subjects set forth in the documents following these item summaries. FAC 2005–85 amends the FAR as follows:

**Item I—Prohibition on Contracting With Corporations With Delinquent Taxes or a Felony Conviction (FAR Case 2015–011)**

This interim rule amends the Federal Acquisition Regulation to implement sections of the Consolidated and Further Continuing Appropriations Act, 2015, to prohibit the Federal Government from entering into a contract with any corporation having a delinquent Federal tax liability or a felony conviction under any Federal law, unless an agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government.

This interim rule has no significant impact on the Government and contractors, including small business entities.

**Item II—Further Amendments to Equal Employment Opportunity (FAR Case 2015–013)**


E.O. 11246, dated September 24, 1965, established requirements for nondiscriminatory practices in hiring and employment for Federal contractors and subcontractors. The bases of discrimination prohibited by E.O. 11246 are race, color, religion, sex, and national origin. E.O. 13672 adds sexual orientation and gender identity to the prohibited bases of discrimination established by E.O. 11246. There is no significant impact on small entities.

**Item III—Updating Federal Contractor Reporting of Veterans’ Employment (FAR Case 2015–036)**

DoD, GSA, and NASA are issuing an interim rule amending the FAR to implement a final rule issued by the Department of Labor’s Veterans’ Employment and Training Service (VETS) that revised the regulations at 41 CFR part 61 implementing the reporting requirements under the Vietnam Era Veterans’ Readjustment Assistance Act, as amended (VEVRAA) and the Jobs for Veterans Act (JVA) (Pub. L. 107–288).

VEVRAA requires Federal contractors and subcontractors to annually report on the total number of their employees who belong to the categories of veterans protected under VEVRAA, as amended by the JVA, and the total number of those protected veterans who were hired during the period covered by the report. The VETS rule requires contractors and subcontractors to comply with its revised reporting requirements using the new Form VETS–4212, in lieu of the VETS–100 and VETS–100A, beginning with the annual report filed in 2015.

There is no significant impact on small entities imposed by the FAR rule.

**Item IV—Pilot Program for Enhancement of Contractor Employee Whistleblower Protections (FAR Case 2013–015)**

This final rule amends the Federal Acquisition Regulation (FAR) to implement a statutory pilot program enhancing whistleblower protections for contractor employees at FAR subpart 3.9. An interim rule was published September 30, 2013. The interim rule created a new FAR section 3.908 to be used by title 41 agencies through January 1, 2017.


This rule has no significant impact on small business concerns.

**Item V—Retention Periods (FAR Case 2015–009)**

This final rule amends the Federal Acquisition Regulation (FAR) by updating the Government file retention periods to conform with the retention periods in the National Archives and Records Administration (NARA) General Records Schedule (GRS). Language is also added to instruct agencies that require a shorter retention period for certain records to request approval from NARA through the agency’s record officer. This rule change does not place any new requirements on small entities; the only change is the timeframe for retention by the Government of Government records.

**Item VI—Establishing a Minimum Wage for Contractors (FAR Case 2015–003)**

DoD, GSA, and NASA are issuing a final rule adopting the interim rule published December 15, 2014, with change. The interim rule amended the FAR to implement Executive Order 13658 and a Department of Labor final rule issued on October 7, 2014, both entitled “Establishing a Minimum Wage for Contractors,” which established a new minimum wage for covered service and construction contracts of $10.10 per hour, as of January 1, 2015. The Executive Order minimum wage will be adjusted annually, by the Department of Labor. Contracting officers will include a clause in covered contracts and will adjust contract prices for the annual adjustments in the Executive Order minimum wage. Contractors shall consider any subcontractor request, including requests by small businesses subcontractors, for a subcontract price adjustment due to the annual adjustment in the Executive Order minimum wage.

There is no significant impact on small entities imposed by the FAR rule.

**Item VII—Technical Amendment**

Editorial change is made at FAR 1.106.
Dated: November 20, 2015.

William Clark,
Director, Office of Government-wide Acquisition Policy, Office of Acquisition Policy, Office of Government-wide Policy.

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