

**Federal Acquisition Regulation  
Federal Acquisition Circular 2005-79 & 2005-80 Summary of Rules**

FAC 2005-79

<u>Item</u>	<u>Subject</u>	<u>FAR Case</u>
I	Establishing a Minimum Wage for Contractors	2015-003
II	Prohibition on Contracting with Inverted Domestic Corporations	2014-017

**Item I-- Establishing a Minimum Wage for Contractors (FAR Case 2015-003)**

This interim rule amends the FAR to implement Executive Order (E.O.) 13658 and a Department of Labor (DOL) final rule issued on October 7, 2014, both entitled Establishing a Minimum Wage for Contractors. The interim rule establishes a new minimum wage for covered service and construction contracts of \$10.10 per hour, which will be adjusted annually, by the DOL. Contracting officers will include a clause in covered contracts and, if requested by the contractor and if appropriate, will adjust contract prices for the annual adjustments in the E.O. minimum wage. This rule does not apply to M&O contracts but does apply to applicable subcontracts issued by M&O contractors. DOE recently issued a class deviation to the DEAR to address this until the DEAR can be amended.

**Item II-- Prohibition on Contracting with Inverted Domestic Corporations (FAR Case 2014-017)**

This interim rule amends FAR 9.108 to revise the FAR coverage, including the language of the associated solicitation provisions and contract clauses to more clearly reflect the ongoing, continuing nature of the statutory prohibition on contracting with inverted domestic corporations and their subsidiaries.

## FAC 2005-80

<u>Item</u>	<u>Subject</u>	<u>FAR Case</u>
I	Ending Trafficking in Persons	2013-001
II	Management and Oversight of the Acquisition of Services	2014-008
III	Technical Amendments	

### **Item I— Ending Trafficking in Persons (FAR Case 2013-001)**

This final rule amends the FAR to implement Executive Order 13627 and Title XVII of the National Defense Authorization Act for Fiscal Year 2013 and promotes the United States policy prohibiting trafficking in persons. Contractors and subcontractors must disclose to employees the key conditions of employment, starting with wages and work location; no recruiting fees are allowed to be charged to employees. Compliance plans and annual certifications are required for portions of contracts over \$500,000 performed outside the United States, except for commercially available off-the-shelf items of supply. Contracting officers should specify in the contract whether a written employee work document is required, which notifies the employee of certain details about the work and about trafficking in persons. The contracting officer is also required to notify the agency Inspector General, debarring and suspending official, and, if appropriate, law enforcement of credible information regarding violations. The contracting officer is required to put into FAPIIS violations substantiated by the agency Inspector General, after a final agency determination.

### **Item II— Management and Oversight of the Acquisition of Services (FAR Case 2014-008)**

This final rule amends the FAR to implement a recommendation to strengthen guidance on service acquisitions by incorporating at FAR 37.101 the definitions relating to “uncompensated overtime” presently set forth in FAR 52.237–10(a), except that the defined term “uncompensated overtime rate” has been changed to “adjusted hourly rate (including uncompensated overtime).” Additionally, the definition of the new term “adjusted hourly rate (including uncompensated overtime)” clarifies that the proposed hours per week include uncompensated overtime hours over and above the standard 40-hour work week. FAR 52.237–10 is further amended to clarify the application of the adjusted hourly rate, and categorization of proposed hours subject to the adjusted hourly rate. In addition, FAR 52.237–10 has been amended to reflect that all proposed labor hours subject to the adjusted hourly rate shall be identified as either regular or overtime hours, by labor categories. Finally, FAR 37.115–2 has been amended to add a paragraph (d) to clarify that when there is uncompensated overtime, the adjusted hourly rate, rather than the hourly rate shall be applied to all proposed hours, whether regular or overtime hours.

### **Item III—Technical Amendments**

Editorial changes were made at FAR 46.202–4, 52.212–3, and 52.225–18.

**Federal Acquisition Regulation  
Federal Acquisition Circular 2005-81 Summary of Rules**

FAC 2005-81

<u>Item</u>	<u>Subject</u>	<u>FAR Case</u>
I	Further Amendments to Equal Employment Opportunity	2015-013

**Item I-- Further Amendments to Equal Employment Opportunity (FAR Case 2015-013)**

This interim rule amends the FAR to implement Executive Order (E.O.) 13672, entitled "Further Amendments to Executive Order 11478, Equal Employment Opportunity in the Federal Government, and Executive Order 11246, Equal Employment Opportunity" and a Department of Labor (DOL) interim rule published on December 9, 2014 at 79 FR 72985. E.O. 13672 added sexual orientation and gender identity to the prohibited bases of discrimination established by E.O. 11246.