22.1905 Enforcement of Executive Order Minimum Wage Requirements.

(a) Authority.

- (1) Section 5 of the E.O. grants the authority for investigating potential violations of, and obtaining compliance with, the E.O. to the Secretary of Labor. The Secretary of Labor, in promulgating the implementing regulations required by Section 4 of the E.O., has assigned this authority to the *Administrator. Contracting* agencies do not have authority to conduct compliance investigations under 29 CFR part 10 or part 23 as implemented in this subpart. This does not limit the *contracting officer*'s authority to otherwise enforce the terms and conditions of the contract.
- (2) Contracting officers shall withhold payment at the direction of the Administrator.
- (3) The contracting officer shall withhold payment, without a request from the Administrator, if the contractor fails to comply with the requirements in paragraph (e)(2) of 52.222-55, Minimum Wages for Contractor Workers Under Executive Order 14026 to furnish payroll records, until such time as the noncompliance is corrected.

(b) Complaints.

- (1) Complaints *may* be filed with the *contracting officer* or the *Administrator* by any person, entity, or organization that believes a violation of this subpart has occurred.
- (2) The identity of any individual who makes a written or oral statement as a complaint or in the course of an investigation, as well as portions of the statement which would reveal the individual's identity, *shall* not be disclosed in any manner to anyone other than Federal officials without the prior consent of the individual, unless otherwise authorized by law.
- (3) Upon receipt of a complaint, or if notified that the *Administrator* has received a complaint, the *contracting officer shall* report the following information, within 14 days, if available without conducting an investigation, to the Department of Labor, Wage and Hour Division, Office of Government Contracts, 200 Constitution Avenue N.W., Room S3006, Washington, D.C. 20210.
- (i) The complaint or description of the alleged violation;
- (ii) Available statements by the *worker*, contractor, or any other person regarding the alleged violation;
- (iii) Evidence that clause <u>52.222-55</u>, Minimum Wages for Contractor *Workers* Under Executive Order 14026, (or its predecessor for complaints under 29 CFR part 10) was included in the contract;
- (iv) Information concerning known settlement negotiations between the parties, if applicable; and
- (v) Any other relevant facts known to the *contracting officer* or other information requested by the Wage and Hour Division.
- (c) Investigations. Complaints will be investigated by the Administrator, if warranted, in accordance

with the procedures in 29 CFR part 23.430.

(d) Remedies and sanctions-

- (1) Unpaid wages. When the *Administrator*'s investigation reveals that a contractor has failed to pay the applicable E.O. minimum wage, the *Administrator* will notify the contractor and the *contracting* agency of the unpaid wage violation, and request that the contractor remedy the violation. If the contractor does not remedy the violation, the *Administrator may* direct withholding of payments due on the contract or any other contract between the contractor and the Federal Government. Upon final decision and direction of the *Administrator*, the *contracting* agency *shall* transfer the withheld funds to the Department of Labor for disbursement in accordance with the procedures at 22.406-9(c).
- (2) Antiretaliation. When a contractor has been found to have violated paragraph (i) of clause 52.222-55, Minimum Wages for Contractor *Workers* Under Executive Order 14026, the *Administrator may* provide for relief to the *worker* in accordance with 29 CFR 23.440.

(3) Debarment.

- (i) The Department of Labor *may* initiate *debarment* proceedings under 29 CFR 23.520 whenever a contractor is found to have disregarded its obligations under 29 CFR part 23.
- (ii) Contracting officers shall consider notifying the agency suspending and debarring official in accordance with agency procedures when a contractor commits significant violations of contract terms and conditions related to this subpart.
- (4) Retroactive inclusion of *contract clause*. If a *contracting* agency fails to include the *contract clause* in a contract to which E.O. 14026 applies, the *contracting* agency, on its own initiative or within 15 calendar days of notification by an authorized representative of the Department of Labor, *shall* incorporate the *contract clause* in the contract retroactive to commencement of performance under the contract through the exercise of any and all authority that *may* be needed (including, where necessary, its authority to negotiate or amend, its authority to pay any necessary additional costs, and its authority under any contract provision authorizing changes, cancellation and termination).

Parent topic: <u>Subpart 22.19 - Increasing the Minimum Wage for Contractors</u>