

Applicability of Federal Labor Standards to HUD Programs

Program and Statutory Authority	Authority for Davis-Bacon Wage Rate Applicability	Exception to Coverage	Statutory Duty to Assure Payment of Prevailing Rate
Community Development Block Grants; UDAG (Title I, Housing & Community Development Act of 1974, as amended)	110 "All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under this title..."	<p>"Rehabilitation of residential property" designed for residential use by fewer than 8 families</p> <p>107(d)(2) "The Secretary may waive, in connection with grants to Indian tribes, the provisions of section 109 and section 110."</p>	

Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
	105...construction, reconstruction, or installation of...public works, facilities and site or other improvements ...clearance, demolition, removal and rehabilitation ...of buildings and improvements..."	Yes	4010 (Federal Labor Standards Provision)

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Authority for

Statutory Duty

Program and Statutory Authority	Davis-Bacon Wage Rate Applicability	Exception to Coverage	to Assure Payment of Prevailing Rate
Assistance to State Housing Finance and Development Agencies(HCD Act of 1974)	802(g) "All laborers and mechanics employed by contractors or subcontractors in housing or development activities assisted under this section..."	"Construction of residential property... designed for residential use" by fewer than 8 families	No assistance shall be extended without adequate assurance of compliance

Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
	802(a) "...activities designed to...provide housing and related facilities through... construction, or rehabilitation... revitalization of slum and blighted areas...development and redevelopment of industrial, manufacturing, and commercial facilities ..."	Yes	52644A (Part I of the Agreement to Enter Into Housing Assistance Payments Contract - New Construction or Substantial Rehabilitation) 52644B (Part II of the Agreement to Enter Into Housing Assistance Payments Contract - New Construction or Substantial Rehabilitation)

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Low-Rent Housing (U.S. Housing Act of 1937)	12 "Any contract for loans, annual contributions, sale, or lease pursuant to this Act... shall require prevailing wages to be paid ... to all laborers and mechanics employed in the development of the project involved..."	Section 8 Housing with fewer than 9 units, or which is built or rehabilitated prior to any agreement between the Secretary or Public Housing Agency and builder or sponsor for its use	HUD must acquire certification of compliance prior to payment under assistance contract
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Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
Cover PHA's own employees engaged in development in addition to contractor and subcontractor.	4(a) "...to public housing agencies to help finance or refinance the development, acquisition, or operation of lower income housing projects by such agencies."	Yes	-5370 (General Conditions-Low Rent Rent Public Housing) -53015 (Turnkey Contract of Sale - Parts I & II)
HUD Determined Rates: Section 12 also requires payment of prevailing rate determined by HUD to architects, technical engineers,	3(c)(1) "... "development" means any or all undertakings necessary for planning, land acquisition, demolition, construction, or		-52538A (Part I of the Agreement to Enter Into Housing Assistance Payments Contract - Moderate Rehabilitation) -52538B (Part II of the Agreement to Enter Into Housing Assistance Payments Contract - Moderate Rehabilitation) - 53011 (Terms and Conditions, Part Two, Consolidated Annual Contributions

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Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
draftsmen, and technicians employed in project development and maintenance laborers and mechanics employed in operation of the project.	<p>equipment connection with a low-income housing project may be confined to the reconstruction, remodeling, or repair of existing buildings."</p> <p>8(e)(5) "For the purposes of upgrading...the National housing stock...assistance payments...pursuant to contracts with owners who agree to upgrade housing so as to make and keep such housing decent, safe, and sanitary through upgrading which involves less than substantial rehabilitation, as such upgrading and rehabilitation are defined by the Secretary."</p> <p>*New construction and substantial rehabilitation were repealed by Section 209 of the Housing and Urban - Rural Recovery Act of 1983.</p>		<p>Contract - Low Rent Public Housing)</p> <p>- 52521A (Part I of the Agreement to Enter Into Housing Assistance Payments Contract - New Construction or Substantial Rehabilitation - Private Owner/ PHA</p> <p>-52521B (Part I of the Agreement to Enter Into Housing Assistance Payments Contract - New Construction or Substantial Rehabilitation - Private Owner/ HUD or PHA-Owner HUD)</p> <p>- 52521C (Part I of the Agreement to Enter Into Housing Assistance Payments Contract - Disposition of Previously HUD -Owned Projects)</p> <p>-52521D (Part II of the Agreement to Enter Into Housing Assistance</p>

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Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
			Payments Contract - New Construction, Substantial Rehabilitation or Previously HUD-Owned) - 52750 (Agreement to Enter Into Housing Assistance Payments Contract - Section 515 Rural Rental Housing Loan Program)

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Rental Rehabilitation and Development Grants (Section 17 of U.S. Housing Act of 1937)	17(i)(3) "A structure assisted under this Section shall be treated as a project subject to a mortgage insured under section 220 of the National Housing Act for the purpose of Section 212 of such Act."	Same as insurance under 220 of National Housing Act (see below)	

Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form

17(a)(1)(A) "...rental rehabilitation grants to States and units of several local government to help support the rehabilitation of privately owned real property to be used for financially residential rental purposes..."
 17(k)(1) ".... rehabilitation grant means a grant to finance moderate rehabilitation"
 17(a)(1)(b) "... development grants for new construction or substantial rehabilitation..."

Yes 4010

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Program and Statutory Authority	Authority for Davis-Bacon Wage Rate Applicability	Exception to Coverage	Statutory Duty to Assure Payment of Prevailing Rate
National Housing Act: 207 Rental housing; 608 war housing authorization to insure has expired; 213 cooperatives; 803 armed services authorization to insure has expired; 908 housing authorization to insure has been terminated; 234(d) condominiums	212 "The Secretary shall not insure under section... unless the principal contractor... certifies that the laborers and mechanics employed in the construction of the dwelling or dwellings or other housing project involved..."		FHA shall not insure unless principal contractor certifies that the rates prevailing between time of application for assistance and beginning of construction have been paid.

Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
Sec. 212(b) of the National Housing Act authorizes the Commissioner to make regulations to carry out the labor standards provisions of Sec. 212(a)	207(b)(2) "**** Mortgage insurance under ...this section is intended to facilitate particularly the production of rental accommodations, at reasonable rents, of design and size suitable for family living..."	No	2554 (Supplementary Conditions of the Contract of Construction - FHA Mortgage Insurance)

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Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
	213(a) "In addition to mortgage insured under 207...the Secretary is authorized to insured mortgages... of nonprofit cooperatives "		
	810(b) Mortgage insurance for military and essential civilian personnel and NASA employees		
	234(d) "... multifamily projects to be		

constructed or
rehabilitated..."

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Program and Statutory Authority	Authority for Davis-Bacon Wage Rate Applicability	Exception to Coverage	Statutory Duty to Assure Payment of Prevailing Rate
220 Urban redevelopment housing; 233 experimental housing	212	Exemption on property designed principally for residential use of under 12 families	Same as above

Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
Same as above	<p>220(a) "rehabilitation of existing dwelling accommodations and the construction of new dwelling accommodations."</p> <p>220(h)(1)(A) "...the term home improvement loan means a loan...for the purpose of financing the improvement of an existing structure... used primarily for residential purposes... (b) the term improvement means conservation, repair, restoration, rehabilitation, conversion, alteration, enlargement, or remodeling..."</p> <p>233 "...dwellings</p>	No	Same as above

involving the utilization
and testing of advanced
technology."

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Program and Statutory Authority	Authority for Davis-Bacon Wage Rate Applicability	Exception to Coverage	Statutory Duty to Assure Payment of Prevailing Rate
221(d)(3) and (4) housing for low and moderate income and displaced families; 221(h)(1) sale of rehabilitated housing to low-income people; 242 hospitals and intermediate care facilities and board and care homes.	212	Exemption on 221(h)(1) projects designed principally for residential use for not more than eight families. HUD can waive provision where services are donated without compensation to lower cost on cooperative (d)(3) or (4) projects or 242 hospitals, or are similarly donated by the owner or other persons (not otherwise employed at any time in the rehabilitation of the property) on a 221(h)(1) non-profit rehabilitation project	Same as above
Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
Same as above	221(a) "...to assist through mortgage insurance private industry in providing housing for low and moderate income families and displaced families."	Not applicable. However, 212(a) provides that "each laborer or mechanic employed on any facility covered by a mortgage insured under section 242	Same as above

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Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
	221(h)(1) "...to insure...any mortgage ...executed by a nonprofit organization to finance the purchase and rehabilitation of deteriorating or substandard housing for subsequent resale..."	shall receive compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in any workweek in excess of eight hours in any workday or forty hours in the workweek, as the case may be."	
	242(d) "to insure any mortgage which covers a new or rehabilitated hospital...and board and care homes."		

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Program and Statutory Authority	Authority for Davis-Bacon Wage Rate Applicability	Exception to Coverage	Statutory Duty to Assure Payment of Prevailing Rate
231 housing for elderly; 232 nursing homes; 235(j)(1) Home ownership for lower Income Families; 236	212	Exemption on 235(J)(1) projects designed principally for residential use for not more than eight families. HUD can waive provision	Same as above

Assistance for rental and cooperative housing

where services are donated without compensation for purpose of lowering costs

Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
Same as above	231 Purpose is to assist in relieving shortage of housing for elderly persons. "Housing" means "eight or more new or rehabilitated units..."	No	Same as above

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Program and Statutory Authority	Authority for Davis-Bacon Wage Rate Applicability	Exception to Coverage	Statutory Duty to Assure Payment of Prevailing Rate
241 Supplemental Loan Program	241(b)(5) a supplemental loan shall "be governed by the labor standards provisions of section 212 that are applicable to the section or title pursuant to which the mortgage covering the project or facility is insured or pursuant to which the original mortgage covering the project facility was issued..."	Does Contract	

Does Contract

Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
	241: "Supplemental loan means a loan, advance of credit...made for the purpose of financing improvements or additions to such project, hospital or facility..."	No	Same as above
	232 Purpose is to assist in provision of... "...development of nursing homes...development of intermediate care facilities..."	No	
	235(j)(1): "...to insure a mortgage...to finance the purchase of housing, and the rehabilitation of such housing..."	Yes	

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Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
	236(b) "Interest reduction payments...may involve either new or existing construction..."	Yes	

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Program and Statutory Authority	Authority for Davis-Bacon Wage Rate Applicability	Exception to Coverage	Statutory Duty to Assure Payment of Prevailing Rate
Title X Land Development	212 "...with respect to laborers and mechanics employed in land development ..."		Same as above

Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
	1001(e) "the term 'land development' means the process of making, installing, or constructing improvements".	No	2554

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Program and Statutory Authority	Authority for Davis-Bacon Wage Rate Applicability	Exception to Coverage	Statutory Duty to Assure Payment of Prevailing Rate
Title XI Group Practice Facilities	212		Same as above

Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
	110(b) to insure	No; however	2554

mortgages "...executed
by a group practice
unit or organization..."

requirements
are the same as
for the 242
program, above

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Program and Statutory Authority	Authority for Davis-Bacon Wage Rate Applicability	Exception to Coverage	Statutory Duty to Assure Payment of Prevailing Rate
Senior Citizen Housing (Housing Act of 1959, as amended - Sec. 202)	202(c)(3) "all laborers and mechanics employed by contractors and subcontractors in the construction of housing and assisted under this section..."		HUD shall take such action as may be necessary to assure compliance

Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
	202(d)(1) "...'housing' means structures suitable for dwelling use by elderly or handicapped families which are...new structures, or ... provided by rehabilitation, alteration, conversion, or improvement of existing structures which are otherwise inadequate..."	Yes	Same as above
	...(d)(7) "... 'construction' means erection of new structures or rehabilitation,		

alteration, conversion,
or improvement of existing
structures."

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Program and Statutory Authority	Authority for Davis-Bacon Wage Rate Applicability	Exception to Coverage	Statutory Duty to Assure Payment of Prevailing Rate
Rehabilitation (Housing Act of 1964 - Sec. 312(e))	312(e) "...the Secretary shall have ...the functions, powers, and duties set forth in section 402 of the Housing Act of 1950..." Specifically, section 402(f) provides "...all laborers and mechanics employed by contractors or subcontractors on any project assisted under this title, the construction or rehabilitation of which was commenced after the date of enactment of the Housing Act of 1959..."	Does not apply if the rehabilitation loan is for a residential property (or combination of residential properties) or a mixed-use property (or combination of mixed-use properties) that will contain a total of less than 12 dwelling units after rehabilitation.	Same as above
Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
	312(a) "...loans... to finance... rehabilitation..."	Yes	4010
	321(b)(1) "... 'rehabilitation' means the improvement or repair of a structure or facilities in connection with a structure, and may		

include the provision of such sanitary or other facilities as are required by applicable codes, the urban renewal plan, or a statewide property insurance program..."

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Program and Statutory Authority	Authority for Davis-Bacon Wage Rate Applicability	Exception to Coverage	Statutory Duty to Assure Payment of Prevailing Rate
Secretary -Owned Properties	Davis-Bacon 40 U.S.C. 276(a) Contracts "for construction, alteration and/or repair including painting and decorating of public buildings or public works..." prevailing wages are "to be paid various classes of laborers and mechanics...and every contract based upon these specifications shall contain a stipulation that the contractor or his subcontractor shall pay all mechanics and laborers employed directly on the site of the work, unconditionally and not less often than once a week...regardless of any contractual relationship which may be alleged to exist between them ..."	Contracts \$2000 or less	Contracting officer may withhold from contractors or subcontractors any deficiencies owing to laborers and mechanics employed by the contractor or subcontractors

Special Requirements or Features	Activities Covered By Basic Statute to Which Davis-Bacon is Relevant	Does Contract Work Hours and Safety Standards Act (CWHSSA) Apply?	Applicable Contract Form
	276(a) "construction,	Yes	SF-19a

alteration, and/or
repair...of public
buildings or public
works..."