**SUBJECT:** Contract Work Hours and Safety Standards Act (CWHSSA) Coverage threshold for overtime and health and safety provisions.

The Federal Acquisition Streamlining Act of 1994 amends sections 103 and 107 of the Contract Work Hours and Safety Standards Act (CWHSSA) to establish a single threshold excluding single contracts of $100,000 or less from CWHSSA overtime and health and safety provisions. (Previously, CWHSSA overtime thresholds were $2,000 for construction work and $2,500 for Federal purchases and contracts other than construction.) The new threshold became effective October 1, 1995.

For contracting agencies the effect of the threshold increase will primarily result in reduced procurement burdens on purchases of $100,000 or less. Contractors will continue to be obligated to pay weekly overtime under the Fair Labor Standards Act (FLSA).

Other changes involve overtime provision enforcement activities. FLSA enforcement authority resides solely with the Department of Labor (DOL). Complaints and violations relative to FLSA overtime compensation must be referred to the DOL for further review and disposition. HUD staff and program clients (PHAs/IHAs, CDBG grantees) are still responsible for ensuring contractor compliance with prevailing wage requirements. Where the complaints or violations involve both FLSA overtime and prevailing wages, early consultation with the DOL should occur to determine the most appropriate means to pursue both aspects to resolution.
Proposed language to conform applicable regulations to the statutory amendments was published by the DOL on September 7, 1995. (See Federal Register, Vol. 60, No. 173, Pgs 46553-46556.)

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