



OFFICE OF FIELD POLICY
AND MANAGEMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-0050

Special Attention of:
Office of Davis-Bacon and Labor Standards
Regional and Field Staff;
Office of Community Planning and
Development Directors;
Community Development Block Programs
Grantees;
Public Housing Regional and Office
Directors;
Public Housing Agencies;
Office of Native American Program
Administrators;
Tribes; Tribally Designated Housing
Authorities; Indian Housing Authorities;

Notice: LR-95-01

Issued: October 2, 1995

Expires: This Notice is effective until it is amended, superseded, or rescinded.

Cross References: Contract Work and Safety Standards Act; Fair Labor Standards Act; Federal Acquisition Streamlining Act of 1994; Federal Register Vol. 60, No. 173, Pages 46553-46556

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.)

Assistant to the Secretary
for Labor Relations

SL: Distribution: W-3-1; R-1; R-3-1; R-6; R-7; R-9; SL (Labor Relations)