



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;  
CDBG and HOME Grantees;  
Public Housing Regional and Office  
Directors;  
Public Housing Agencies;  
Office of Native American Programs  
Administrators;  
Tribes; Tribally Designated Housing Entities;  
Indian Housing Authorities

**Notice: LR-23-02**

**Issued:** March 9, 2023

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amended, superseded, or rescinded.

**Supersedes:** N/A

**Cross References:** DOL AAM 241

---

**SUBJECT:** Local Contracting Agency (LCA) application of DOL AAM 241 "Division of Davis-Bacon Enforcement Authority Between Multiple Federal Agencies Providing Davis-Bacon Related Act Assistance to the Same Project(s)"

**I. PURPOSE**

The purpose of this Notice is to provide guidance on the applicability of DOL's issued All-Agency Memorandum (AAM) 241 "Division of Davis-Bacon Enforcement Authority Between Multiple Federal Agencies Providing Davis-Bacon Related Act Assistance to the Same Project(s)" This memo can be found here: [AAM 241](#)

**II. BACKGROUND**

AAM 241 provides guidance to federal agencies that provide federal assistance to construction projects under a Davis-Bacon Related Act (DBRA). For purposes of the AAM, federal assistance includes grants, loans, loan guarantees, insurance, and other mechanisms. The AAM affects only construction projects that receive assistance from more than one federal funding agency. When the assistance provided by more than one federal funding agency triggers Davis-Bacon labor standards requirements for the same project, those agencies may enter into agreements whereby one funding agency shares or delegates its enforcement authority for that project to the other funding agency. Under this type of agreement, only one agency would be primarily responsible for both agencies' certified payrolls and compliance oversight obligations.

**III. LOCAL CONTRACTING AGENCY APPLICATION**

For most of HUD's programs, HUD has delegated certain monitoring and enforcement responsibility to its LCA's. The AAM, while not considered mandatory, is available for use by the Department but does

not apply to HUD's delegation to LCA's. If another Federal agency is providing Davis-Bacon covered financial assistance to the same LCA project where HUD is providing Davis-Bacon covered assistance, HUD and the other Federal agency may enter into an agreement under AAM 241 to arrange for sharing or delegating of compliance and enforcement responsibilities.


When a HUD program office is aware that a construction project that it is providing financial assistance to is also receiving assistance from another non-HUD federal funding stream that triggers Davis-Bacon labor standards requirements, the HUD program office should notify the Office of Davis-Bacon and Labor Standards (DBLS). Similarly, if an LCA is utilizing additional federal funds that trigger Davis-Bacon applicability, the LCA shall notify HUD's regional Davis-Bacon staff to determine whether an agreement as considered under the AAM would be beneficial to the administration of Davis-Bacon labor standards enforcement. Any such agreement for an LCA project must be executed by HUD, the LCA, and the other funding Federal agency.

Once all parties determine to enter into an agreement, the AAM includes a list of minimum requirements that are necessary as part of any agreement(s):

- The agreement must clearly state the circumstances in which enforcement authority will be divided between the agencies and exactly what responsibilities will be retained by each agency;
- Each agreement must identify the individuals responsible for implementing the agreement, and include their contact information;
- The federal funding agencies must provide information to all funding or assistance recipients indicating which federal agency has primary responsibility for ensuring that certified payrolls are reviewed and maintained, and for enforcing compliance with Davis-Bacon labor standards requirements;
- The federal funding agencies must advise funding and assistance recipients that this information must be provided to all sub-recipients and contractors, and;
- A copy of the federal agencies' agreement must be provided to WHD when the agreement is entered into and promptly upon the request of an authorized representative of the Department of Labor.

## V. CONTACTS

If you have questions about this Notice, contact the DBLS staff with jurisdiction in your area. A list of DBLS contacts is available on the national webpage.<sup>1</sup>

  
Michele P. Perez  
Assistant Deputy Secretary  
Office of Field Policy and Management

---

<sup>1</sup> Find your local DBLS contact at [https://www.hud.gov/program\\_offices/davis\\_bacon\\_and\\_labor\\_standards/laborrelstf](https://www.hud.gov/program_offices/davis_bacon_and_labor_standards/laborrelstf)