



Weekly Report for August 26, 2016

GOVERNMENT CONTRACTS

Fair Pay and Safe Workplaces

DOD, GSA, and NASA issued a final rule amending the FAR to implement Executive Order 13673, Fair Pay and Safe Workplaces, which is designed to increase efficiency and cost savings in Federal contracting by improving contractor compliance with labor laws. The Department of Labor is simultaneously issuing final guidance to assist federal agencies in implementation of the Executive Order in conjunction with the FAR final rule, [81 Fed. Reg. 58562](#). This final rule is effective October 25, 2016.

LABOR AND EMPLOYMENT

Guidance for Executive Order 13673, “Fair Pay and Safe Workplaces”

The Department of Labor (the Department) published final guidance (the Guidance) to assist the Federal Acquisition Regulatory Council (the FAR Council) and Federal contracting agencies in the implementation of Executive Order 13673, Fair Pay and Safe Workplaces. Executive Order 13673 (the Order) contains new requirements designed to increase efficiency and cost savings in the federal contracting process. By law, federal agencies already must contract only with “responsible” sources. Among other directives, the Order provides explicit new instructions for federal contracting officers to consider a contractor's compliance with certain federal and state labor laws as a part of the determination of contractor “responsibility” that contracting officers presently must undertake before awarding a federal contract. In addition, the Order directs the FAR Council to propose the rules and regulations necessary to carry out the Order and the Department to develop guidance to help implement the new requirements. In this final Guidance, the Department provides detailed definitions for various terms used in the Order and the FAR rule to categorize and classify labor law violations, and the Department provides a summary of the processes through which contracting agencies will assess a contractor's overall record of labor law compliance and carry out their other duties under the Order, [81 Fed. Reg. 58654](#). This final Guidance is being published simultaneously with the FAR Council's final rule and is effective on October 25, 2016. Contractors and Federal agencies may use this Guidance beginning August 25, 2016.