

HHS Transmittal 86.8
Personnel Manual
Issue Date: 5/13/86

Material transmitted

Instruction 532-7, Establishment of Temporary or Seasonal
Construction Pay Rates (pages 1 -2)

Material superseded

None

Background

This new Instruction is published to state Department policy and procedures for establishing the rates of pay for employees who perform temporary or seasonal construction work on Federally sponsored projects under P.L. 86-121. This Instruction does not contain new policy. It formalizes existing policy. Construction-type schedules generally are established as needed by Federal agencies for construction projects and cover the category of employees generally known as "force account employees." Rates for such schedules are generally based on prevailing rates for comparable construction work in the local area as determined by the Department of Labor under the Davis-Bacon Act of 1931. In the absence of Davis-Bacon rates for a locality, rates for a construction schedule may be based on prevailing construction industry rates for comparable jobs as determined by a survey in the local area. The Department has the authority for establishing temporary or seasonal construction rates.

This issuance is effective immediately. However, you are reminded of the obligation to implement the changes required by this issuance consistent with labor relations responsibilities (5 U.S. Code Chapter 71 and provisions of negotiated agreements).

Filing instructions

File new material in the proper sequence. Change Table of Contents (Instruction 002-1) for the Personnel Manual to reflect new material. Post receipt of this transmittal to the HHS Check List of Transmittals and file this transmittal in sequential order after the check list.

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Distribution: MS(PERS): HRFC-001

Subject: ESTABLISHMENT OF TEMPORARY OR SEASONAL CONSTRUCTION
PAY RATES

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532-7-00 PURPOSE AND AUTHORITY

This Instruction states the Department's policy and procedures for establishing the rates of pay for employees who perform construction work on Public Law (P.L.) 86-121 projects. The provisions of this Instruction have been developed under the authority provided to departments by FPM Supplement 532-1, Appendix V, for P.L. 86-121 projects to construct sanitary facilities for Native Americans.

532-7-10 COVERAGE

This Instruction covers temporary or seasonally-hired employees who perform craft, trade, and labor work on P.L. 86-121 projects which provide for the construction, repair, and maintenance of sanitary facilities for American Indians and Alaskan natives.

532-7-20 REFERENCES

- A. Public Law 86-121 (law authorizing construction, repair and maintenance of sanitary facilities for Native Americans)
- B. Davis-Bacon Act (40 U.S.C. 276a, wage rates for laborers, craftsmen, and mechanics involved in construction on which Federal funds are expended)
- C. FPM Supplement 532-1, Appendix V, paragraph H (construction schedules)

532-7-30 POLICY

It is the policy of this Department to set temporary or seasonal construction rates consistent with published Davis-Bacon Act rates of pay for labor, trades, and crafts employees and any

restrictions imposed on pay by the President, the Congress, or the Office of Personnel Management.

532-7-40 HOW RATES ARE DETERMINED

Rates for temporary or seasonal construction employees are determined in accordance with Davis-Bacon pay rates issued by the Department of Labor (DOL). These rates are issued by DOL for use by the private sector and other Federal agencies. They are used in arriving at comparable pay rates for employees working on Federally funded construction projects in specific geographic areas within the United States. These rates reflect the minimum wage payable for blue collar employees working for contractors on Federally sponsored highway, residential, and highrise construction. Whenever available, residential construction rates are used. If residential rates are unavailable, highway construction rates will be used. If Davis-Bacon rates are unavailable, the Department may use survey rates from any other available source. As stated in 532-7-30, all pay rates must comply with any restriction imposed by the President, Congress, or the Office of Personnel Management.

532-7-50 ADJUSTMENT OF RATES

Temporary or seasonal construction wages will be reviewed and appropriate adjustments made annually by the Division of Pay and Performance Programs. The adjustments will normally be made in the first quarter of the calendar year so as to be available for the construction season. The Division will specify effective dates and forward adjusted rates to affected servicing personnel offices for implementation.