

SCA Wage Determinations

June 1, 2021

Department of Defense approved bus carriers are responsible for following any applicable requirements of the Department of Labor (DOL) Service Contract Act (SCA) of 1965, particularly for service in excess of \$2500. The Federal Register and the Code of Federal Regulations (CFR) are the official sources for regulatory information published by the DOL. The SCA labor clauses are below. Applicable wage determinations by year are listed in Quick Links for your review.

Title 29 CFR Part 4.5(a) requires

“Any contract in excess of \$2,500 shall contain, as an attachment, the applicable, currently effective wage determination specifying the minimum wages and fringe benefits for service employees to be employed thereunder, including any information referred to in paragraphs (a)(1) or (2) of this section; (1) Any wage determination from the Wage and Hour Division, Employment Standards Administration, Department of Labor, responsive to the contracting agency’s submission of an e98 or obtained through WDOL under § 4.4...”

Reg. 4.143(b) requires

“...whenever the term of an existing contract is extended, pursuant to an option clause or otherwise, so that the contractor furnishes services over an extended period of time...the contract extension is considered to be a new contract for purposes of the application of the Act’s provisions. All such “new” contracts as discussed above require the insertion of a new or revised wage determination in the contract as provided in §4.5.”

Title 29 CFR 4.5(c) states

“Where the Department of Labor discovers and determines, whether before or subsequent to a contract award, that a contracting agency made an erroneous determination that the Service Contract Act did not apply to a particular procurement and/or failed to include an appropriate wage determination in a covered contract, the contracting agency, within 30 days of notification by the Department of Labor, shall include in the contract the stipulations contained in § 4.6 and any applicable wage determination issued by the Administrator or his authorized representative through the exercise of any and all authority that may be needed (including, where necessary, its authority to negotiate or amend, its authority to pay any necessary additional costs, and its authority under any contract provision authorizing changes, cancellation, and termination). With respect to any contract subject to section 10 of the Act, the Administrator may require retroactive application of such wage determination.”

The DOL Wage and Hour Division (WHD) has sole SCA enforcement responsibility of the wage and fringe benefit requirements of the SCA. For more information, call (866) 487-9243 or visit <https://www.dol.gov/agencies/whd/about>.