DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Chapter 1

[Docket No. FAR-2022-0051, Sequence No. 1]

Federal Acquisition Regulation; Federal Acquisition Circular 2022–04; Introduction

AGENCY: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Summary presentation of an interim rule.

SUMMARY: This document summarizes the Federal Acquisition Regulation (FAR) rule agreed to by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) in this Federal Acquisition Circular (FAC) 2022–04. A companion document, the Small Entity Compliance Guide (SECG), follows this FAC.

DATES: For effective date see the separate documents, which follow.

FOR FURTHER INFORMATION CONTACT: Ms. Malissa Jones, Procurement Analyst, at 571–882–4687 or by email at malissa.jones@gsa.gov for clarification of content. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202–501–4755 or GSARegSec@gsa.gov. Please cite FAC 2022–04, FAR Case 2021–014.

Rule Listed in FAC 2022-04

Subject: Increasing the Minimum Wage for Contractors.
FAR Case: 2021–014.

ADDRESSES: The FAC, including the SECG, is available at https://www.regulations.gov.

SUPPLEMENTARY INFORMATION: A

summary for the FAR rule follows. For the actual revisions and/or amendments made by this FAR rule, refer to the specific subject set forth in the document following this summary. FAC 2022–04 amends the FAR as follows:

Increasing the Minimum Wage for Contractors (FAR Case 2021–014)

This interim rule amends the Federal Acquisition Regulation (FAR) to implement Executive Order (E.O.) 14026, Increasing the Minimum Wage for Federal Contractors, and a final rule

issued by the Department of Labor (DOL). E.O. 14026 seeks to raise the hourly minimum wage paid by contractors to workers performing work on or in connection with covered Federal contracts to \$15.00 per hour beginning January 30, 2022, and beginning January 1, 2023, and annually thereafter, an amount determined by the Secretary of Labor. This rule makes revisions to the existing FAR coverage regarding minimum wage requirements for Federal contractors by increasing the hourly minimum wage paid by certain Federal contractors to workers performing work on or in connection with covered Federal contracts; referencing DOL's new requirements for tipped workers; expanding the geographical scope of the minimum wage requirements by defining United States as including U.S. territories and possessions; and removing the exemption for seasonal recreational services or seasonal recreational equipment rental from the minimum wage requirements. DoD, GSA, and NASA do not expect this rule to have a significant economic impact on a substantial number of small entities, because DOL has determined that their rule would not have a significant impact on a substantial number of small entities. DoD, GSA, and NASA agree with this assessment.

William F. Clark,

Director, Office of Government-wide Acquisition Policy, Office of Acquisition Policy, Office of Government-wide Policy.

Federal Acquisition Circular (FAC) 2022–04 is issued under the authority of the Secretary of Defense, the Administrator of General Services, and the Administrator of National Aeronautics and Space Administration.

Unless otherwise specified, all Federal Acquisition Regulation (FAR) and other directive material contained in FAC 2022–04 is effective January 26, 2022 except for FAR Case 2021–014, which is effective January 30, 2022.

John M. Tenaglia,

Principal Director, Defense Pricing and Contracting, Department of Defense.

Jeffrey A. Koses,

Senior Procurement Executive/Deputy CAO, Office of Acquisition Policy, U.S. General Services Administration.

Karla Smith Jackson,

Assistant Administrator for Procurement, National Aeronautics and Space Administration.

[FR Doc. 2022–01506 Filed 1–25–22; 8:45 am]

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DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Chapter 1

[Docket No. FAR-2022-0051, Sequence No. 1]

Federal Acquisition Regulation; Federal Acquisition Circular 2022–04; Small Entity Compliance Guide

AGENCY: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Small Entity Compliance Guide (SECG).

SUMMARY: This document is issued under the joint authority of DoD, GSA, and NASA. This *Small Entity Compliance Guide* has been prepared in accordance with section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996. It consists of a summary of the rule appearing in Federal Acquisition Circular (FAC) 2022–04, which amends the Federal Acquisition Regulation (FAR). Interested parties may obtain further information regarding this rule by referring to FAC 2022–04, which precedes this document.

DATES: January 26, 2022. **ADDRESSES:** The FAC, including the SECG, is available at https://www.regulations.gov.

FOR FURTHER INFORMATION CONTACT: Ms. Malissa Jones, Procurement Analyst, at

571–882–4687 or by email at malissa.jones@gsa.gov for clarification of content. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202–501–4755 or GSARegSec@gsa.gov. Please cite FAC 2022–04, FAR Case 2021–014.

Rule Listed in FAC 2022-04

Subject: Increasing the Minimum Wage for Contractors.
FAR Case: 2021–014.

SUPPLEMENTARY INFORMATION: A summary for the FAR rule follows. For the actual revisions and/or amendments made by this FAR rule, refer to the specific subject set forth in the document following this summary. FAC 2022–04 amends the FAR as follows:

Increasing the Minimum Wage for Contractors (FAR Case 2021–014)

This interim rule amends the Federal Acquisition Regulation (FAR) to

implement Executive Order (E.O.) 14026, Increasing the Minimum Wage for Federal Contractors, and a final rule issued by the Department of Labor (DOL). E.O. 14026 seeks to raise the hourly minimum wage paid by contractors to workers performing work on or in connection with covered Federal contracts to \$15.00 per hour beginning January 30, 2022, and beginning January 1, 2023, and annually thereafter, an amount determined by the Secretary of Labor. This rule makes revisions to the existing FAR coverage regarding minimum wage requirements for Federal contractors by increasing the hourly minimum wage paid by certain Federal contractors to workers performing work on or in connection with covered Federal contracts; referencing DOL's new requirements for tipped workers; expanding the geographical scope of the minimum wage requirements by defining United States as including U.S. territories and possessions; and removing the exemption for seasonal recreational services or seasonal recreational equipment rental from the minimum wage requirements. DoD, GSA, and NASA do not expect this rule to have a significant economic impact on a substantial number of small entities, because DOL has determined that their rule would not have a significant impact on a substantial number of small entities. DoD, GSA, and NASA agree with this assessment.

William F. Clark,

Director, Office of Government-wide Acquisition Policy, Office of Acquisition Policy, Office of Government-wide Policy. [FR Doc. 2022–01508 Filed 1–25–22; 8:45 am]

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DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Parts 2, 22, and 52

[FAC 2022-04; FAR Case 2021-014, Docket No. FAR-2021-0014, Sequence No. 1]

RIN 9000-AO31

Federal Acquisition Regulation: Increasing the Minimum Wage for Contractors

AGENCY: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA). **ACTION:** Interim rule.

SUMMARY: DoD, GSA, and NASA are issuing an interim rule amending the Federal Acquisition Regulation (FAR) to implement an Executive Order titled "Increasing the Minimum Wage for Federal Contractors" and a final rule issued by the Department of Labor. This Executive Order seeks to raise the hourly minimum wage paid by contractors to workers performing work on or in connection with covered Federal contracts to \$15.00 per hour beginning January 30, 2022, and beginning January 1, 2023, and annually thereafter, an amount determined by the Secretary of Labor.

DATES:

Effective: January 30, 2022. Applicability: This rule applies as follows:

- 1. To solicitations issued on or after January 30, 2022, and their resulting contracts.
- 2. To new contracts awarded without a prior solicitation (e.g., a purchase order under part 13), on or after January 30, 2022.
- 3. To new contracts with a prior solicitation awarded on or after March 31, 2022.
- 4. To existing contracts, including procurements for recreational services, when extending, renewing, or exercising an option on the existing contract on or after the effective date of the rule. Contracting officers shall incorporate the amended clause in this rule at 52.222-55, Minimum Wages for Contractor Workers Under Executive Order 14026, in the existing contracts through bilateral modifications. In such a circumstance, if the contracting officer is unable to incorporate the clause in an existing contract through bilateral modification, then the contracting officer shall decline to extend, renew, or exercise the option on the existing
- 5. In accordance with FAR 1.108(d), contracting officers are strongly encouraged to include the amended clause in other contracts awarded before March 31, 2022, with appropriate consideration.

Comment Date: Interested parties should submit written comments to the Regulatory Secretariat Division at the address shown below on or before March 28, 2022 to be considered in the formation of the final rule.

ADDRESSES: Submit comments in response to FAC 2022–04, FAR Case 2021–014 to the Federal eRulemaking portal at https://www.regulations.gov by searching for "FAR Case 2021–014". Select the link "Comment Now" that corresponds with "FAR Case 2021–

014". Follow the instructions provided on the "Comment Now" screen. Please include your name, company name (if any), and "FAR Case 2021–014" on your attached document. If your comment cannot be submitted using https://www.regulations.gov, call or email the points of contact in the FOR FURTHER INFORMATION CONTACT section of this document for alternate instructions.

Instructions: Please submit comments only and cite "FAR Case 2021–014" in all correspondence related to this case. Comments received generally will be posted without change to https://www.regulations.gov, including any personal and/or business confidential information provided. To confirm receipt of your comment(s), please check https://www.regulations.gov, approximately two to three days after submission to verify posting.

FOR FURTHER INFORMATION CONTACT: Ms. Malissa Jones, Procurement Analyst, at 571–882–4687 or by email at malissa.jones@gsa.gov, for clarification of content. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202–501–4755 or GSARegSec@gsa.gov. Please cite FAC 2022–04, FAR Case 2021–014.

SUPPLEMENTARY INFORMATION:

I. Background

This interim rule revises the FAR to implement Executive Order (E.O.) 14026, Increasing the Minimum Wage for Federal Contractors, signed April 27, 2021, and published in the Federal Register at 86 FR 22835, on April 30, 2021. The interim rule also implements a final rule issued by the Wage and Hour Division of the Department of Labor (DOL), published at 86 FR 67126, on November 24, 2021, also entitled "Increasing the Minimum Wage for Federal Contractors." The DOL rule added a new 29 CFR part 23. The DOL rule covers FAR-based contracts, non-FAR-based contracts, and contract-like instruments; this interim rule only applies to FAR-based contracts.

The hourly minimum wage paid to workers on specified Federal contracts was first established by E.O. 13658, Establishing a Minimum Wage for Contractors, which was signed February 12, 2014, and published in the **Federal Register** at 79 FR 9851, on February 20, 2014. E.O. 13658 established an hourly minimum wage of \$10.10 beginning January 1, 2015, and beginning January 1, 2016, and annually thereafter, an amount determined by the Secretary of Labor. The DOL implemented E.O. 13658 through a final rule published at 79 FR 60634, on October 7, 2014, also