

**GSA Public Buildings Service** 

January 27, 2022

MEMORANDUM FOR: REGIONAL COMMISSIONERS, PBS

REGIONAL LEASING DIRECTORS

REGIONAL LEASE ACQUISITION OFFICERS

FROM: GINA DITOMMASO

ACTING ASSISTANT COMMISSIONER FOR OFFICE OF

—DocuSigned by: Kina Ditommaso

LEASING - PR

SUBJECT: LEASING ALERT (LA-22-01) - Revisions to Labor Standards

Paragraph under Global, Warehouse and AAAP Lease

Templates

**1. Purpose**. This Leasing Alert issues a revision to Lease Paragraph 3.01 "Labor Standards" to incorporate by reference the following two applicable FAR clauses:

- FAR Clause 52.222-55 "Minimum Wages for Contractor Workers Under Executive Order 14026"
- FAR Clause 52.222-62 "Paid Sick Leave Under Executive Order 13706."

This revision affects the following GSA PBS Lease templates:

- Global Model L100
- Warehouse Model L201WH
- AAAP Model L100 AAAP

No other models or templates are affected by this change.

## 2. Background.

- a. Lease Paragraph 3.01 "Labor Standards," which must be included for all applicable Request for Lease Proposals (RLP) packages where the lease may be subject to Davis-Bacon prevailing wage requirements, incorporates multiple FAR clauses by reference. This Leasing Alert updates this paragraph to include references to the two (2) additional FAR clauses identified above.
- b. FAR Clause 52.222-55 "Minimum Wages for Contractor Workers Under

Executive Order 14026", incorporates the minimum wage requirements under Executive Order 14026, issued April 27, 2021, and later implemented via FAR Case 2021-014. All contracts subject to Davis Bacon Act requirements must include this FAR clause requiring a \$15.00 hourly minimum wage for federal contractor workers performing work on or in connection with covered Federal contracts, beginning January 30, 2022; and beginning January 1, 2023, and annually thereafter, in an amount determined by the Secretary of Labor.

- c. FAR Clause 52,222-62 "Paid Sick Leave Under Executive Order 13706," incorporates the requirements under Executive Order 13076, issued September 7, 2015, and further implemented via FAR Case 2017-001, for covered federal contractors to provide their employees paid sick leave. As with FAR Clause 52.222-55, applicability of FAR Clause 52.222-62 is tied to contract and contract like-instruments subject to Davis Bacon Act requirements.
- **3. Effective Date**. This Leasing Alert and attachments are effective January 30, 2022, unless modified, cancelled, or reissued. Please refer to the "Instructions and Procedures" below.
- **4. Applicability**. This Leasing Alert and its attachments are mandatory and apply to all General Services Administration (GSA) real property leasing activities and to activities delegated by GSA to other Federal agencies.
- **5. Cancellation**. The following are canceled:
  - a. Global Lease template L100 dated 10/2021
  - b. Warehouse Lease template L201WH dated 10/2021

## 6. Instructions and Procedures.

- a. Global or Warehouse model RLP packages subject to Davis Bacon Act requirements, issued on or after January 30, 2022, must contain the January 2022 version of lease paragraph 3.01 "Labor Standards." Lease Contracting Officers should use the updated lease templates dated 01/2022 or later (See Attachments 1 and 2) or manually edit their RLP package to reflect the edits as indicated under Attachment 3.
- b. Leases subject to Davis Bacon Act requirements that are awarded on or after March 31, 2022, must include both FAR clauses 52.222-55 "Minimum Wages for Contractor Workers Under Executive Order 14026" and 52.222-62 "Paid Sick Leave Under Executive Order 13706." Therefore, the Lease Contracting Officer or his/her designee shall issue an RLP package amendment reflecting the edits to Lease paragraph 3.01 as outlined under this Leasing Alert (See Attachment 3) for all lease procurements with an anticipated award on or after March 31, 2022.

- c. For AAAP procurements, the Office of Leasing will post an amendment to AAAP RLPs.
- d. Renewals and Extensions: For existing leases subject to Davis Bacon Act requirements that were awarded prior to January 30, 2022, Lease Contracting Officers must amend the lease to incorporate FAR 52.222-55 "Minimum Wages for Contractor Workers Under Executive Order 14026" prior to extending or renewing the lease (this includes options which can be unilaterally exercised). Lease Contracting Officers must also amend the lease to incorporate FAR 52.222-62 prior to extending a lease.
- e. Recordkeeping responsibilities: Per the requirements under FAR 52.222-55 and 52.222-62, it is the contractor's (lessor's) responsibility to maintain appropriate records and have them available for inspection by authorized representatives of the Wage and Hour Division of the U.S. Department of Labor. Unlike Davis Bacon Act compliance, no records are sent to the Lease Contracting Officer for review. However, the Lease Contracting Officer may be required to take action (e.g., suspension of payment) in the event of the lessor's failure to comply with the requirements of these clauses.

Attachment 1, Global Lease template, GSA Form L100

Attachment 2, Warehouse Lease template, GSA Form L201WH

Attachment 3, Lease Paragraph 3.01 "Labor Standards (JAN 2022)"

## **COVER PAGE FOR ATTACHMENTS 1 - 3**