



Office of Native American Programs

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TO: All Tribal Government Leaders and Tribally Designated Housing Entities (TDHE)

FROM: Bruce A. Knott, Director, Housing and Community Development, 8APINC

TOPIC: Wage Standards

SUBJECT: Guidance to Tribes and TDHEs in fulfilling statutory and regulatory Labor Standards requirements during the implementation of NAHASDA programs.

PURPOSE: This guidance provides Labor Standards material and references resources available to tribes/TDHEs (herein after called the "recipient") to fulfill their statutory and regulatory requirements during the implementation of NAHASDA programs.

Section 104(b) of NAHASDA mandates that the Labor Standards provisions of the Davis-Bacon Act be included in all contracts and agreements for assistance, sales or leases. In addition, prevailing wages determined by HUD shall be paid to maintenance laborers and mechanics employed in the operation, and to architects, technical engineers, draftsmen and technicians employed in the development of affordable housing.

Under NAHASDA, there are three exemptions to Davis-Bacon Wage Standards. These exemptions are:

1. Prime contracts which do not exceed \$2,000,
2. Home buyers assistance projects where the home is already constructed or construction is underway, and
3. The use of unpaid volunteers.

Each contract awarded under NAHASDA must contain labor standards clauses and a Davis-Bacon wage decision. The *General Conditions of the Contract for Construction* can be found in form HUD-5370. This form is accessible on the Internet at <http://www.hudclips.org/subscriber/html/forms> in file numbers 02828001.gif through 02828020.gif. Davis-Bacon wage rates preempt tribal rates.

To avoid monitoring findings and substantial penalties which a tribe would be obligated to pay from non-HUD sources, Indian Housing Block Grant recipients must recognize and comply with the labor standards of the Davis-Bacon and Related Acts.

The recipient's contract administrator is responsible for the proper administration and enforcement of the Federal labor standards provisions on contracts involving NAHASDA funds. Construction work performed by force account is often subject to Davis-Bacon Wage Rates. Where Davis-Bacon wage rates do not apply, the work will be subject to Non-routine Maintenance Wage Rates. Contact the HUD Field Labor Relations staff in your area to obtain appropriate wage rates.

Technical guidance and forms needed for fulfilling the labor standards in Davis-Bacon and Related Acts can be found in the "*Contractor's Guide to Davis-Bacon, Prevailing Wage Requirements for Federally-Assisted Construction Projects*". The March 1997 version of this guide is accessible through the HUD Labor Relations Home Page on the Internet at

<http://www.hud.gov/olr/olrwrp.html>

If you have any questions regarding Labor Standards requirements of a NAHASDA program, contact the HUD Field Labor Relations staff in your area, or the grants management staff in the appropriate Area Office of Native American Program.