

OFFICE OF THE UNDER SECRETARY OF DEFENSE

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DEC 30 2009

MEMORANDUM FOR COMMANDER, UNITED STATES SPECIAL OPERATIONS
COMMAND (ATTN: ACQUISITION EXECUTIVE)
COMMANDER, UNITED STATES TRANSPORTATION
COMMAND (ATTN: ACQUISITION EXECUTIVE)
DEPUTY ASSISTANT SECRETARY OF THE ARMY
(PROCUREMENT), DASA(P)
DEPUTY ASSISTANT SECRETARY OF THE NAVY
(ACQUISITION & LOGISTICS MANAGEMENT),
ASN(RDA)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING), SAF/AQC
DIRECTORS, DEFENSE AGENCIES
DIRECTORS, DoD FIELD ACTIVITIES

SUBJECT: Single DoD Point of Contact (POC) for Coordination of Defense Base Act (DBA) Insurance Waivers for Foreign Nationals with Department of Labor

Section 843 of the FY 2009 National Defense Authorization Act (Public Law No. 110-417), required the Department to adopt an acquisition strategy for insurance required by the Defense Base Act (42 U.S.C. 1651 et seq.) that would minimize the cost of such insurance to the Department and to defense contractors subject to the Act. DBA insurance provides a form of workers' compensation insurance for contractor employees performing work in foreign countries.

The Department's report was issued to Congress on September 14, 2009 and it is available on our website. It contained several recommendations, one of which is the establishment of a single, centralized DoD POC to coordinate with the Department of Labor (DoL) on DBA insurance waivers. The DBA allows the Secretary of Labor, upon the recommendation of the head of a department, to waive a contract's requirement for DBA insurance coverage for foreign nationals, if acceptable workers' compensation benefits are provided by applicable local law.

Currently, DoD generally obtains DoL country waivers on a program-by-program basis, often without further coordination within the Department. Thus, some DoD Components may not be aware of waivers that are available, especially because DoD does not have a central repository of such waivers. To ensure more consistent pursuit of waivers and the communication of existing waivers, the recommended single DoD POC approach is being adopted.

The Director, Cost, Price and Finance (DPAP/CPF) will be the Department's POC for DBA insurance waivers. Please coordinate all future DoL requests for DBA insurance waivers through them. Because DoL is in the process of re-assessing the continued validity of existing waivers, it may take several months for the waiver coordination process to be finalized.

A case will be established within the next 30 days to revise the Defense Federal Acquisition Regulation Supplement or its companion document, Procedures, Guidance, and Information to incorporate this policy memorandum. The POC for this action is Ms. Teresa Lawson at 703-602-0288 or Teresa.Lawson@osd.mil.

Shay D. Assad

Director, Defense Procurement and Acquisition Policy