

**Federal Acquisition Regulation
Federal Acquisition Circular 2005-85 Summary of Rules**

FAC 2005-85

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Item I— Prohibition on Contracting with Corporations with Delinquent Taxes or a Felony Conviction (FAR Case 2015-011)

This interim rule amends the FAR to implement sections 744 and 745 of Division D of the Consolidated and Further Continuing Appropriations Act, 2015, to prohibit the Federal Government from entering into a contract with any corporation having a delinquent Federal tax liability or a felony conviction under any Federal law, unless an agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government. The class deviation issued via Policy Flash 2014-28 is therefore no longer needed, and is cancelled.

Item II— Further Amendments to Equal Opportunity (FAR Case 2015-013)

This final rule adopts the interim rule published April 10, 2015, without change. The interim rule amended the FAR to implement Executive Order (E.O.) 13672, entitled “Further Amendments to Executive Order 11478, Equal Employment Opportunity in the Federal Government, and Executive Order 11246, Equal Employment Opportunity”. E.O. 13672 was signed July 21, 2014. E.O. 11246, dated September 24, 1965, established requirements for nondiscriminatory practices in hiring and employment for Federal contractors and subcontractors. The bases of discrimination prohibited by E.O. 11246 are race, color, religion, sex, and national origin. E.O. 13672 adds sexual orientation and gender identity to the prohibited bases of discrimination established by E.O. 11246.

Item III— Updating Federal Contractor Reporting of Veterans’ Employment (FAR Case 2015-036)

This interim rule implements a final rule issued by the Department of Labor’s Veterans’ Employment and Training Service (VETS) that revised the regulations at 41 CFR part 61 to implement the reporting requirements under the Vietnam Era Veterans’ Readjustment Assistance Act, as amended (VEVRAA) and the Jobs for Veterans Act (JVA) (Pub. L. 107–288). VEVRAA requires Federal contractors and subcontractors to annually report on the total number of their employees who belong to the categories of veterans protected under VEVRAA, as amended by the JVA, and the total number of those protected veterans who were hired during the period covered by the report. The VETS rule requires contractors and subcontractors to comply with its revised reporting requirements using the new Form VETS–4212, in lieu of the VETS–100 and VETS–100A, beginning with the annual report filed in 2015.

Item IV— Pilot Program for Enhancement of Contractor Employee Whistleblower Protections (FAR Case 2013-015)

This final rule amends the FAR to implement a statutory pilot program enhancing whistleblower protections for contractor employees at FAR subpart 3.9. An interim rule was published September 30, 2013. The interim rule created a new FAR section 3.908 to be used by title 41 agencies through January 1, 2017. The four-year pilot program is mandated by section 828, entitled ‘Pilot Program for Enhancement of Contractor Employee Whistleblower Protections,’ of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013 (Pub. L. 112–239, enacted January 2, 2013).

Item V— Retention Periods (FAR Case 2015-009)

This final rule amends the FAR by updating the Government file retention periods to conform with the retention periods in the National Archives and Records Administration (NARA) General Records Schedule (GRS). Language is also added to instruct agencies that require a shorter retention period for certain records to request approval from NARA through the agency’s record officer.

Item VI— Establishing a Minimum Wage for Contractors (FAR Case 2015-003)

This final rule adopts the interim rule published December 15, 2014. The interim rule amended the FAR to implement Executive Order 13658 and a Department of Labor final rule issued on October 7, 2014, both entitled ‘Establishing a Minimum Wage for Contractors,’ which established a new minimum wage for covered service and construction contracts of \$10.10 per hour, as of January 1, 2015. The Executive Order minimum wage will be adjusted annually, by the Department of Labor. Contracting officers will include a clause in covered contracts and will adjust contract prices for the annual adjustments in the Executive Order minimum wage.

Contractors shall consider any subcontractor request, including requests by small businesses subcontractors, for a subcontract price adjustment due to the annual adjustment in the Executive Order minimum wage.

Item VII – Technical Amendments

An editorial change was made to FAR 1.106.