

FACT SHEET #9 - PENALTIES AND SANCTIONS

DAVIS-BACON PROVISIONS FOR CLEAN AND DRINKING WATER SRF PROJECTS

Civil and criminal penalties for violation of Davis-Bacon

The United States Department of Labor has interpreted the relevant code sections and statutes to provide for the following penalties for violation of the Davis-Bacon and related Acts:

CIVIL PENALTIES AND DEBARMENT FROM FUTURE DAVIS-BACON PROJECTS

Contractors or subcontractors found to have disregarded their obligations to employees, or to have committed aggravated or willful violations while performing work on Davis-Bacon covered projects, may be subject to contract termination and debarment from future contracts for up to three years. In addition, contract payments may be withheld in sufficient amounts to satisfy liabilities for unpaid wages and liquidated damages that result from overtime violations of the Contract Work Hours and Safety Standards Act. (29 CFR 5.12)

APPEAL

Contractors and subcontractors may challenge determinations of violations and debarment before an Administrative Law Judge (ALJ). Contractors and subcontractors may appeal decisions by ALJ's with the Department's Administrative Review Board. Final Board determinations on violations may be appealed to and are enforceable through the federal courts.

CRIMINAL PENALTIES

Falsification of certified payroll records or the required kickback of wages may subject a contractor or subcontractor to civil or criminal prosecution, the penalty for which may be fines and/or imprisonment. (18 U.S.C. 1001)

For more information, see also

http://www.ecfr.gov/cgi-bin/text-idx?SID=23dacc5bf3d86023a7b8cb116368777e&mc=true&node=se29.1.5_112&rqn=div8