

103^D CONGRESS
1ST SESSION

H. R. 232

To amend the Federal Property and Administrative Services Act of 1949 and title 10, United States Code, to require as a term in each contract for property or services made by an executive agency that the contractor (and any subcontractors under that contract) shall comply with the workmen's compensation laws of each State in which the contract is performed.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 1993

Mr. LAROCCHO introduced the following bill; which was referred jointly to the Committees on Government Operations and Armed Services

A BILL

To amend the Federal Property and Administrative Services Act of 1949 and title 10, United States Code, to require as a term in each contract for property or services made by an executive agency that the contractor (and any subcontractors under that contract) shall comply with the workmen's compensation laws of each State in which the contract is performed.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. FEDERAL CONTRACTS TO REQUIRE COMPLI-**
2 **ANCE WITH STATE WORKMEN'S COMPENSA-**
3 **TION LAWS.**

4 (a) IN GENERAL.—(1) Title III of the Federal Prop-
5 erty and Administrative Services Act of 1949 (41 U.S.C.
6 251 et seq.) is amended by inserting after section 303G
7 (41 U.S.C. 253g) the following new section:

8 **“SEC. 303H. COMPLIANCE WITH STATE WORKMEN'S COM-**
9 **PENSATION LAWS.**

10 “(a) COMPLIANCE REQUIRED.—Each contract for
11 the purchase of property or services made by an executive
12 agency shall provide that the prime contractor (and any
13 subcontractor performing work on the contract under the
14 prime contractor) shall guarantee throughout the perform-
15 ance of work under the contract to comply with the work-
16 men's compensation law of each State in which work
17 under the contract will be performed.

18 “(b) TERMINATION OF WORK ON FAILURE TO DEM-
19 ONSTRATE COMPLIANCE.—Each such contract shall con-
20 tain the further provision that in the event the contracting
21 officer determines that the prime contractor (or any sub-
22 contractor under the contract) is not in compliance with
23 the workmen's compensation laws of any State within
24 which work under the contract is being carried out, the
25 Government may terminate the right of the offending con-
26 tractor or subcontractor to proceed with the work or such

1 part of the work being carried out in a State in which
2 compliance with the workmen's compensation laws is not
3 demonstrated. Notice of such termination shall be pro-
4 vided in writing to the offending contractor or subcontrac-
5 tor. If, within a reasonable time, the offending contractor
6 or subcontractor has not demonstrated compliance with
7 the workmen's compensation laws of such State, including
8 payment of any fines or penalties assessed for failure to
9 carry workmen's compensation insurance, the Government
10 may complete the work. The contractor and any sureties
11 of the contractor shall be liable to the Government for any
12 excess costs occasioned the Government as a result of the
13 termination.

14 “(c) EXCEPTIONS.—This section shall not apply in
15 the case of contracts covered by the Defense Base Act (42
16 U.S.C. 1651 et seq.) or the Longshore and Harbor Work-
17 ers' Compensation Act (33 U.S.C. 901 et seq.).

18 “(d) SUSPENSION OF SECTION.—In the event of a
19 national emergency, the President may suspend operation
20 of this section.”.

21 (2) The table of contents at the beginning of such
22 Act is amended by inserting after the item relating to sec-
23 tion 303G the following new item:

“Sec. 303H. Compliance with State workmen's compensation laws.”.

1 (b) SPECIAL RULE FOR DEFENSE CONTRACTS.—(1)
2 Chapter 137 of title 10, United States Code, is amended
3 by adding at the end the following new section:

4 **“§ 2332. Compliance with State workmen’s compensa-**
5 **tion laws.**

6 “(a) COMPLIANCE REQUIRED.—Each contract for
7 the purchase of property or services made by the head of
8 an agency shall provide that the prime contractor (and any
9 subcontractor performing work on the contract under the
10 prime contractor) shall guarantee throughout the perform-
11 ance of work under the contract to comply with the work-
12 men’s compensation law of each State in which work
13 under the contract will be performed.

14 “(b) TERMINATION OF WORK ON FAILURE TO DEM-
15 ONSTRATE COMPLIANCE.—Each such contract shall con-
16 tain the further provision that in the event the contracting
17 officer determines that the prime contractor (or any sub-
18 contractor under the contract) is not in compliance with
19 the workmen’s compensation laws of any State within
20 which work under the contract is being carried out, the
21 head of the agency concerned may terminate the right of
22 the offending contractor or subcontractor to proceed with
23 the work or such part of the work being carried out in
24 a State in which compliance with the workmen’s com-
25 pensation laws is not demonstrated. Notice of such termi-

1 nation shall be provided in writing to the offending con-
2 tractor or subcontractor. If, within a reasonable time, the
3 offending contractor or subcontractor has not dem-
4 onstrated compliance with the workmen's compensation
5 laws of such State, including payment of any fines or pen-
6 alties assessed for failure to carry workmen's compensa-
7 tion insurance, the head of the agency concerned may
8 complete the work. The contractor and any sureties of the
9 contractor shall be liable to the Government for any excess
10 costs occasioned the Government as a result of the termi-
11 nation.

12 “(c) EXCEPTIONS.—This section shall not apply in
13 the case of contracts covered by the Defense Base Act (42
14 U.S.C. 1651 et seq.).

15 “(d) SUSPENSION OF SECTION.—In the event of a
16 national emergency, the President may suspend operation
17 of this section.”.

18 (2) The table of contents at the beginning of such
19 chapter is amended by adding at the end the following
20 new item:

“2332. Compliance with State workmen's compensation laws.”.

21 (c) APPLICATION OF AMENDMENTS.—The amend-
22 ments made by this section shall apply with respect to
23 Federal contracts entered into after the date of the enact-
24 ment of this Act.

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