**PHASE I: CONTRACT FORMATION**

**Activity 6: Service Contract Act Requirements Analysis**

Identify requirements for wage determination for service contracts.

Determine whether or not there is a predecessor contract covered by the Service Contract Labor Standards statute, and, if so, whether a collective bargaining agreement (CBA) exists.

- **If no,**
  - Require contractors to pay their employees at least the wages and fringe benefits found by the Department of Labor (DOL) to prevail in the locality or, in the absence of a wage determination, the minimum wage set forth in the Fair Labor Standards Act of 1938.
  - If the WDOL database does not contain the applicable prevailing wage determination for a contract action, use the e98 electronic process to request a wage determination from DOL.
  - Incorporate the appropriate wage determination or revision provided by the DOL into the solicitation.

- **If yes,**
  - Require contractors to pay their employees the wages and benefits at least equal to those contained in any bona fide CBA entered into under the predecessor contract.
  - Notify both the incumbent contractor and its employees' collective bargaining agent in writing of the forthcoming successor contract.
  - Obtain a copy of any CBA between the incumbent contractor or subcontractor and its employees.
  - Upon timely receipt of the CBA, use the WDOL website to prepare a wage determination referencing the CBA, and incorporate that wage determination, attached to a complete copy of the CBA, into the successor contract action.
  - The e98 process also may be used to request that the Department of Labor prepare the cover wage determinations based on the CBA.
  - Address revisions to prevailing wage determinations and wage determinations based on CBAs as appropriate.

If a wage determination was obtained through the e98 process, and bid opening, or commencement of work under a negotiated contract has been delayed more than 60 days, submit a new e98.