

**Supplementary  
Conditions of the  
Contract for Construction  
Section 232**

**U.S. Department of Housing  
and Urban Development**  
Office of Residential  
Care Facilities

OMB Approval No. 2502-0605  
(exp. 03/31/2018)

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3 **Public reporting** burden for this collection of information is estimated to average 0.5 hours. This includes the time for collecting,  
4 reviewing, and reporting the data. The information is being collected to obtain the supportive documentation which must be  
5 submitted to HUD for approval, and is necessary to ensure that viable projects are developed and maintained. The Department will  
6 use this information to determine if properties meet HUD requirements with respect to development, operation and/or asset  
7 management, as well as ensuring the continued marketability of the properties. This agency may not collect this information, and  
8 you are not required to complete this form, unless it displays a currently valid OMB control number.

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10 **Warning:** Any person who knowingly presents a false, fictitious, or fraudulent statement or claim in a matter within the jurisdiction of  
11 the U.S. Department of Housing and Urban Development is subject to criminal penalties, civil liability, and administrative sanctions.  
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13 **Article 1: Labor Standards**  
14

15 **A. Applicability.** The Project or program to which the construction work covered by  
16 this Contract pertains is being assisted or insured by the United States of America, and the  
17 following Federal Labor Standards Provisions are included in this Contract or related instrument  
18 pursuant to the provisions applicable to such Federal assistance or insurance. Any statute or  
19 regulation contained herein shall also include any subsequent amendment or successor statute or  
20 regulation.  
21

22 **B. Minimum Wages.** Pursuant to Section 212 of the National Housing Act, as amended,  
23 12 U.S.C. 1715c, the minimum wage provisions contained in this paragraph B do not apply to  
24 those projects with Security Instruments insured under Section 221(h)(1) designed for less than 9  
25 families and they do not apply to those projects with Security Instruments insured under either  
26 Section 220 or 233 designed for less than 12 families.  
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28 1. (i) All laborers and mechanics employed or working upon the site of the work (or  
29 under the United States Housing Act of 1937 or under the Housing Act of 1949 in the  
30 construction or development of the Project) shall be paid unconditionally and not less often than  
31 once a week, and without subsequent deduction or rebate on any account (except such payroll  
32 deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland  
33 Act (29 CFR Part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents  
34 thereof) due at time of payment computed at rates not less than those contained in the wage  
35 determination of the Secretary of Labor which is attached hereto and made a part hereof,  
36 regardless of any contractual relationship which may be alleged to exist between the Contractor  
37 and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona  
38 fide fringe benefits under Section 1 (b)(2) of the Davis-Bacon Act (40 U.S.C. 3141(2)(B)(ii)) on  
39 behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject  
40 to the provisions of 29 CFR 5.5(a)(1)(iv); also, regular contributions made or costs incurred for  
41 more than a weekly period (but not less often than quarterly) under plans, funds, or programs,  
42 which cover the particular weekly period, are deemed to be constructively made or incurred  
43 during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate  
44 and fringe benefits on the wage determination for the classification of work actually performed,  
45 without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics

46 performing work in more than one classification may be compensated at the rate specified for  
47 each classification for the time actually worked therein: *Provided*, that the employer's payroll  
48 records accurately set forth the time spent in each classification in which work is performed.  
49 The wage determination (including any additional classification and wage rates conformed under  
50 29 CFR 5.5(a)(1)(v)) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the  
51 Contractor and its subcontractors at the site of the work in a prominent and accessible place  
52 where it can be easily seen by the workers.  
53

54 (ii) (a) Any class of laborers or mechanics that is not listed in the wage  
55 determination and that is to be employed under this Contract shall be classified in  
56 conformance with the wage determination. HUD shall approve an additional classification  
57 and wage rate and fringe benefits only when the following criteria have been met:  
58

59 (1) The work to be performed by the classification requested is not  
60 performed by a classification in the wage determination; and  
61

62 (2) The classification is utilized in the area by the construction  
63 industry; and  
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65 (3) The proposed wage rate, including any bona fide fringe benefits,  
66 bears a reasonable relationship to the wage rates contained in the  
67 wage determination.  
68

69 (b) If the Contractor and the laborers and mechanics to be employed in the  
70 classification (if known), or their representatives, and HUD or its designee agree on the  
71 classification and wage rate (including the amount designated for fringe benefits where  
72 appropriate), a report of the action taken shall be sent by HUD or its designee to the  
73 Administrator of the Wage and Hour Division, U.S. Department of Labor, Washington, D.C.  
74 20210 (“**Administrator**”). The Administrator, or an authorized representative, shall approve,  
75 modify, or disapprove every additional classification action within thirty (30) days of receipt and  
76 so advise HUD or its designee or shall notify HUD or its designee within the thirty (30) day  
77 period that additional time is necessary. (Approved by the Office of Management and Budget  
78 under OMB control number 1215-0140.)  
79

80 (c) In the event the Contractor, the laborers or mechanics to be employed in the  
81 classification or their representatives and HUD or its designee do not agree on the proposed  
82 classification and wage rate (including the amount designated for fringe benefits, where  
83 appropriate), HUD or its designee shall refer the questions, including the views of all interested  
84 parties and the recommendation of HUD or its designee, to the Administrator for determination.  
85 The Administrator, or an authorized representative, shall issue a determination within thirty (30)  
86 days of receipt and so advise HUD or its designee or shall notify HUD or its designee within the  
87 thirty (30) day period that additional time is necessary. (Approved by the Office of Management  
88 and Budget under OMB Control Number 1215-0140.)  
89

90 (d) The wage rate (including fringe benefits where appropriate) determined pursuant  
91 to subparagraphs B.1.(ii)(b) or (c) of this Article, shall be paid to all workers performing work in

92 the classification under this Contract from the first day on which work is performed in the  
93 classification.  
94

95 (iii) Whenever the minimum wage rate prescribed in the Contract for a class of laborers  
96 or mechanics includes a fringe benefit that is not expressed as an hourly rate, the Contractor shall  
97 either pay the benefit as stated in the wage determination or shall pay another bona fide fringe  
98 benefit or an hourly cash equivalent thereof.  
99

100 (iv) If the Contractor does not make payments to a trustee or other third person, the  
101 Contractor may consider as part of the wages of any laborer or mechanic the amount of any costs  
102 reasonably anticipated in providing bona fide fringe benefits under a plan or program, *Provided*,  
103 That the Secretary of Labor has found, upon the written request of the Contractor, that the  
104 applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require  
105 the Contractor to set aside, in a separate account, assets for the meeting of obligations under the  
106 plan or program. (Approved by the Office of Management and Budget under OMB Control  
107 Number 1215-0140.)  
108

109 **2. Withholding.** HUD or its designee shall upon its own action or upon written request  
110 of an authorized representative of the Department of Labor withhold or cause to be withheld  
111 from the Contractor under this Contract or any other Federal contract with the same prime  
112 contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage  
113 requirements, which is held by the same prime contractor, so much of the accrued payments or  
114 advances as may be considered necessary to pay laborers and mechanics, including apprentices,  
115 trainees and helpers, employed by the Contractor or any subcontractor the full amount of wages  
116 required by the Contract. In the event of failure to pay any laborer or mechanic, including any  
117 apprentice, trainee or helper, employed or working on the site of the work (or under the United  
118 States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development  
119 of the Project), all or part of the wages required by the Contract, HUD or its designee may, after  
120 written notice to the Contractor, sponsor, applicant, or Owner, take such action as may be  
121 necessary to cause the suspension of any further payment, advance, or guarantee of funds until  
122 such violations have ceased. HUD or its designee may, after written notice to the Contractor,  
123 disburse such amounts withheld for and on account of the Contractor or subcontractor to the  
124 respective employees to whom they are due.  
125

126 **3. Payrolls, records, and certifications.**

127 (i) Payrolls and basic records relating thereto shall be maintained by the Contractor  
128 during the course of the work and preserved for a period of three years thereafter for all laborers  
129 and mechanics working at the site of the work (or under the United States Housing Act of 1937,  
130 or under the Housing Act of 1949, in the construction or development of the Project). Such  
131 records shall contain the name, address, and social security number of each such worker, his or  
132 her correct classification, hourly rates of wages paid (including rates of contributions or costs  
133 anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in  
134 Section 1 (b)(2)(B) of the Davis-Bacon Act (40 U.S.C. 3141(2)(B)(ii))), daily and weekly  
135 number of hours worked, deductions made and actual wages paid. Whenever the Secretary of  
136 Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include  
137 the amount of any costs reasonably anticipated in providing benefits under a plan or program

138 described in Section 1 (b)(2)(B) of the Davis-Bacon Act (40 U.S.C. 3141(2)(B)(ii)), the  
139 Contractor shall maintain records which show that the commitment to provide such benefits is  
140 enforceable, that the plan or program is financially responsible, and that the plan or program has  
141 been communicated in writing to the laborers or mechanics affected, and records which show the  
142 costs anticipated or the actual cost incurred in providing such benefits. Contractors employing  
143 apprentices or trainees under approved programs shall maintain written evidence of the  
144 registration of apprenticeship programs and certification of trainee programs, the registration of  
145 the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.  
146 (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140  
147 and 1215-0017.)  
148

149 (ii)(a) The Contractor shall submit weekly for each week in which any contract work is  
150 performed a copy of all payrolls to HUD or its designee if the agency is a party to the Contract,  
151 but if the agency is not such a party, the Contractor shall submit the payrolls to the applicant,  
152 sponsor, or Owner, as the case may be, for transmission to HUD or its designee. The payrolls  
153 submitted shall set out accurately and completely all of the information required to be maintained  
154 under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses  
155 shall not be included on weekly transmittals. Instead the payrolls shall only need to  
156 include an individually identifying number for each employee (e.g., the last four  
157 digits of the employee's social security number). The required weekly payroll  
158 information must be submitted electronically. The prime contractor is responsible  
159 for the submission of copies of payrolls by all subcontractors. Contractors and  
160 subcontractors shall maintain the full social security number and current address of  
161 each covered worker, and shall provide them upon request to HUD or its designee if  
162 the agency is a party to the Contract, but if the agency is not such a party, the  
163 Contractor will submit the payrolls to the applicant sponsor, or Owner, as the case  
164 may be, for transmission to HUD or its designee, the Contractor, or the Wage and  
165 Hour Division of the Department of Labor for purposes of an investigation or audit  
166 of compliance with prevailing wage requirements. It is not a violation of this  
167 subparagraph for a prime contractor to require a subcontractor to provide addresses  
168 and social security numbers to the prime contractor for its own records, without  
169 weekly submission to HUD or its designee. (Approved by the Office of Management and  
170 Budget under OMB Control Number 1215-0149.)  
171

172 (b) Each payroll submitted shall be accompanied by a "Statement of Compliance,"  
173 signed by the Contractor or subcontractor or his or her agent who pays or  
174 supervises the payment of the persons employed under the Contract and shall  
175 certify the following:  
176

- 177 (1) That the payroll for the payroll period contains the information required to be  
178 provided under 29 CFR 5.5(a)(3)(ii), the appropriate information is being  
179 maintained under 29 CFR 5.5(a)(3)(i), and that such information is correct and  
180 complete.  
181 (2) That each laborer or mechanic (including each helper, apprentice, and trainee)  
182 employed on the Contract during the payroll period has been paid the full weekly  
183 wages earned, without rebate, either directly or indirectly, and that no deductions

184 have been made either directly or indirectly from the full wages earned, other than  
185 permissible deductions as set forth in 29 CFR Part 3;  
186

187 (3) That each laborer or mechanic has been paid not less than the applicable wage  
188 rates and fringe benefits or cash equivalents for the classification of work  
189 performed, as specified in the applicable wage determination incorporated into the  
190 Contract.  
191

192 (c) The weekly submission of a properly executed certification set forth on the  
193 reverse side of Optional Form WH-347 shall satisfy the requirement for  
194 submission of the "Statement of Compliance" required by subparagraph B.3.(ii)  
195 (b) of this Article.  
196

197 (d) The falsification of any of the above certifications may subject the Contractor or  
198 subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and  
199 Sections 3801 *et seq.* of Title 31 of the United States Code.  
200

201 (iii) The Contractor or subcontractor shall make the records required under  
202 subparagraph B.3.(i) of this Article available for inspection, copying, or transcription by  
203 authorized representatives of HUD or its designee or the Department of Labor, and shall permit  
204 such representatives to interview employees during working hours on the job. If the Contractor  
205 or subcontractor fails to submit the required records or to make them available, HUD or its  
206 designee may, after written notice to the Contractor, sponsor, applicant, or Owner, take such  
207 action as may be necessary to cause the suspension of any further payment, advance, or  
208 guarantee of funds. Furthermore, failure to submit the required records upon request or to make  
209 such records available may be grounds for debarment action pursuant to 29 CFR 5.12.  
210

#### 211 4. Apprentices and Trainees.

212 (i) **Apprentices.** Apprentices shall be permitted to work at less than the predetermined  
213 rate for the work they performed when they are employed pursuant to and individually registered  
214 in a bona fide apprenticeship program registered with the U.S. Department of Labor,  
215 Employment and Training Administration, Office of Apprenticeship, or with a State  
216 Apprenticeship Agency recognized by such Office, or if a person is employed in his or her first  
217 ninety (90) days of probationary employment as an apprentice in such an apprenticeship  
218 program, who is not individually registered in the program, but who has been certified by the  
219 Office of Apprenticeship, or a State Apprenticeship Agency (where appropriate) to be eligible  
220 for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen  
221 on the job site in any craft classification shall not be greater than the ratio permitted to the  
222 Contractor as to the entire work force under the registered program. Any worker listed on a  
223 payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above,  
224 shall be paid not less than the applicable wage rate on the wage determination for the  
225 classification of work actually performed. In addition, any apprentice performing work on the  
226 job site in excess of the ratio permitted under the registered program shall be paid not less than  
227 the applicable wage rate on the wage determination for the work actually performed. Where the  
228 Contractor is performing construction on a project in a locality other than that in which its  
229 program is registered, the ratios and wage rates (expressed in percentages of the journeyman's

230 hourly rate) specified in the Contractor's or subcontractor's registered program shall be observed.  
231 Every apprentice must be paid at not less than the rate specified in the registered program for the  
232 apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified  
233 in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance  
234 with the provisions of the apprenticeship program. If the apprenticeship program does not  
235 specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the  
236 wage determination for the applicable classification. If the Administrator determines that a  
237 different practice prevails for the applicable apprentice classification, fringes shall be paid in  
238 accordance with that determination. In the event the Office of Apprenticeship, or a State  
239 Apprenticeship Agency recognized by such Office, withdraws approval of an apprenticeship  
240 program, the Contractor shall no longer be permitted to utilize apprentices at less than the  
241 applicable predetermined rate for the work performed until an acceptable program is approved.  
242

243 (ii) **Trainees.** Except as provided in 29 CFR 5.16, trainees shall not be permitted to work  
244 at less than the predetermined rate for the work performed unless they are employed pursuant to  
245 and individually registered in a program which has received prior approval, evidenced by formal  
246 certification by the U.S. Department of Labor, Employment and Training Administration. The  
247 ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan  
248 approved by the Employment and Training Administration. Every trainee must be paid at not  
249 less than the rate specified in the approved program for the trainee's level of progress, expressed  
250 as a percentage of the journeyman's hourly rate specified in the applicable wage determination.  
251 Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program.  
252 If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of  
253 fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour  
254 Division determines that there is an apprenticeship program associated with the corresponding  
255 journeyman wage rate on the wage determination which provides for less than full fringe benefits  
256 for apprentices. Any employee listed on the payroll at a trainee rate that is not registered and  
257 participating in a training plan approved by the Employment and Training Administration shall  
258 be paid not less than the applicable wage rate on the wage determination for the classification of  
259 work actually performed. In addition, any trainee performing work on the job site in excess of  
260 the ratio permitted under the registered program shall be paid not less than the applicable wage  
261 rate on the wage determination for the work actually performed. In the event the Employment  
262 and Training Administration withdraws approval of a training program, the Contractor shall no  
263 longer be permitted to utilize trainees at less than the applicable predetermined rate for the work  
264 performed until an acceptable program is approved.  
265

266 (iii) **Equal employment opportunity.** The utilization of apprentices, trainees and  
267 journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity  
268 requirements of Executive Order 11246, as amended, and 29 CFR Part 30.  
269

270 5. **Compliance with Copeland Act Requirements.** The Contractor shall comply with  
271 the requirements of 29 CFR Part 3, which are incorporated by reference in this Contract.  
272

273 6. **Subcontracts.** The Contractor or subcontractor shall insert in any subcontracts the  
274 clauses set forth in subparagraphs 1 through 10 of this paragraph B and such other clauses as  
275 HUD or its designee may by appropriate instructions require, and a copy of the applicable

276 prevailing wage determination, and also a clause requiring the subcontractors to include these  
277 clauses in any lower tier subcontracts. The prime contractor shall be responsible for the  
278 compliance by any subcontractor or lower tier subcontractor with all Contract clauses referenced  
279 in this subparagraph.  
280

281 **7. Contract termination and debarment.** A breach of the Contract clauses in 29 CFR  
282 5.5 may be grounds for termination of the Contract, and for debarment as a contractor or a  
283 subcontractor as provided in 29 CFR 5.12.  
284

285 **8. Compliance with Davis-Bacon and Related Act Requirements.** All rulings and  
286 interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are  
287 herein incorporated by reference in this Contract.  
288

289 **9. Disputes concerning labor standards.** Disputes arising out of the labor standards  
290 provisions of this Contract shall not be subject to the general disputes clause of this Contract.  
291 Such disputes shall be resolved in accordance with the procedures of the Department of Labor  
292 set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes  
293 between the Contractor (or any of its subcontractors) and HUD or its designee, the U.S.  
294 Department of Labor, or the employees or their representatives.  
295

296 **10. Certification of Eligibility.**

297 (i) By entering into this Contract, the Contractor certifies that neither it (nor he or she)  
298 nor any person or firm who has an interest in the Contractor's firm is a person or firm ineligible  
299 to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act (40 U.S.C.  
300 3144(b)(2)) or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD  
301 programs pursuant to 24 CFR Part 24.  
302

303 (ii) No part of this Contract shall be subcontracted to any person or firm ineligible for  
304 award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act (40 U.S.C.  
305 3144(b)(2)) or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD  
306 programs pursuant to 2 CFR Part 2424.  
307

308 (iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18  
309 U.S.C. 1001. Additionally, U.S. Criminal Code, 18 U.S.C. 1010, "Department of Housing and  
310 Urban Development and Federal Housing Administration transactions" provides in part:  
311 "Whoever, for the purpose of . . . influencing in any way the action of such Department . . .  
312 makes, passes, utters or publishes any statement, knowing the same to be false . . . shall be fined  
313 under this title or imprisoned not more than two years, or both."  
314

315 **C. Contract Work Hours and Safety Standards Act.**  
316

317 **1. Applicability and Definitions.** This paragraph C of Article 1 is applicable only if a  
318 direct form of federal assistance is involved, such as Section 8, Section 202/811 Capital  
319 Advance, grants etc., and is applicable only where the prime contract is in an amount greater  
320 than \$100,000. As used in this paragraph C, the terms "laborers" and "mechanics" include  
321 watchmen and guards.

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2. **Overtime requirements.** No contractor or subcontractor contracting for any part of the Contract work that may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty (40) hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty (40) hours in such workweek.

3. **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the immediately preceding subparagraph C.2, the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, the Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory) for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of such subparagraph, for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty (40) hours without payment of the overtime wages required by the clause set forth in such subparagraph.

4. **Withholding for unpaid wages and liquidated damages.** HUD or its designee shall, upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from any moneys payable on account of work performed by the Contractor or subcontractor under any such contract, or under any other Federal contract with the same prime contractor, or under any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act which is held by the same prime contractor such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph 3 of this paragraph C.

5. **Subcontracts.** The Contractor or subcontractor shall insert in any subcontracts the clauses set forth in subparagraphs 1 through 5 of this paragraph C and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in such subparagraphs 1 through 5.

**D. Certification.**

For projects with Security Instruments insured under the National Housing Act, as amended, that are subject to paragraph B of this Article 1, the Contractor is required to execute the Contractor's Prevailing Wage Certificate within HUD-92448 as a condition precedent to insurance by HUD of the Loan, or an advance thereof, made or to be made by the Lender in connection with the construction of the Project.

365 **Article 2: Equal Employment Opportunity**  
366

367 A. **Applicability.** This Article 2 applies to any contract for construction work, or  
368 modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter  
369 60, which is paid for in whole or in part with funds obtained from the Federal Government or  
370 borrowed on the credit of the Federal Government pursuant to a grant, contract, loan, insurance,  
371 or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan,  
372 insurance, or guarantee.  
373

374 B. The Contractor shall not discriminate against any employee or applicant for  
375 employment because of race, color, religion, sex, sexual orientation, gender identity, disability,  
376 or national origin. The Contractor shall take affirmative action to ensure that applicants are  
377 employed, and that employees are treated during employment without regard to their race, color,  
378 religion, sex, sexual orientation, gender identity, disability or national origin. Such action shall  
379 include, but not be limited to the following: employment, upgrading, demotion, or transfer;  
380 recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of  
381 compensation; and selection for training including apprenticeship. The Contractor agrees to post  
382 in conspicuous places available to employees and applicants for employment notices to be  
383 provided setting forth the provisions of this nondiscrimination clause.  
384

385 C. The Contractor shall, in all solicitations or advertisements for employees placed by or  
386 on behalf of the Contractor state that all qualified applicants shall receive consideration for  
387 employment without regard to race, color, religion, sex, sexual orientation, gender identity,  
388 disability, or national origin. The contractor will not discharge or in any other manner  
389 discriminate against any employee or applicant for employment because such employee or  
390 applicant has inquired about, discussed, or disclosed the compensation of the employee or  
391 applicant or another employee or applicant. This provision shall not apply to instances in which  
392 an employee who has access to the compensation information of other employees or applicants  
393 as a part of such employee's essential job functions discloses the compensation of such other  
394 employees or applicants to individuals who do not otherwise have access to such information,  
395 unless such disclosure is in response to a formal complaint or charge, in furtherance of an  
396 investigation, proceeding, hearing, or action, including an investigation conducted by the  
397 employer, or is consistent with the contractor's legal duty to furnish information.  
398

399 D. The Contractor shall send to each labor union or representative of workers with which  
400 it has a collective bargaining agreement or other contract or understanding a notice to be  
401 provided advising the said labor union or workers representatives of the Contractor's  
402 commitments hereunder, and shall post copies of the notice in conspicuous places available to  
403 employees and applicants for employment.  
404

405 E. The Contractor shall comply with all provisions of Executive Order 11246 of  
406 September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the  
407 Secretary of Labor.  
408

409 F. The Contractor shall furnish all information and reports required by Executive Order  
410 11246, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and

411 shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of  
412 investigation to ascertain compliance with such rules, regulations, and orders.  
413

414 G. In the event of the Contractor's noncompliance with the nondiscrimination clauses of  
415 this Contract or with any of the said rules, regulations, or orders, this Contract may be canceled,  
416 terminated, or suspended in whole or in part and Contractor may be declared ineligible for  
417 further government contracts or federally assisted construction contracts in accordance with  
418 procedures authorized in Executive Order 11246 and such other sanctions may be imposed and  
419 remedies invoked as provided in Executive Order 11246, or by rule, regulations or order of the  
420 Secretary of Labor, or as otherwise provided by law.  
421

422 H. The Contractor shall include the provisions of paragraphs A through H of this Article  
423 2 in every subcontract or purchase order unless exempted by rules, regulations, or orders of the  
424 Secretary of Labor issued pursuant to Section 204 of Executive Order 11246, as amended, so that  
425 such provisions shall be binding upon each subcontractor or vendor. The Contractor shall take  
426 such action with respect to any subcontract or purchase order as HUD or the Secretary of Labor  
427 may direct as a means of enforcing such provisions, including sanctions for noncompliance.  
428 *Provided, however,* that in the event the Contractor becomes involved in, or is threatened with,  
429 litigation with a subcontractor or vendor as a result of such direction by HUD or the Secretary of  
430 Labor, the Contractor may request the United States to enter into such litigation to protect the  
431 interests of the United States.  
432

### 433 **Article 3: Equal Opportunity for Businesses and Lower Income Persons Located** 434 **Within the Project Area** 435

436 A. This Article 3 is applicable to projects covered by Section 3, as defined in 24 CFR  
437 Part 135.  
438

439 B. The work to be performed under this Contract is on a project assisted under a program  
440 providing direct Federal financial assistance from HUD and is subject to the requirements of  
441 Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u.  
442 Section 3 requires that to the greatest extent feasible opportunities for training and employment  
443 be given to low- and very low-income persons who are (1) residents of the housing  
444 developments for which the assistance is expended, (2) residents of other developments managed  
445 by the public or Indian housing agency that is expending the assistance, (3) participants in  
446 YouthBuild programs, and (4) other low- and very low-income persons residing within the  
447 metropolitan area (or nonmetropolitan county) as determined by HUD in which the Project is  
448 located and contracts for work in connection with the Project be awarded to business concerns  
449 that provide economic opportunities for low- and very low-income persons.  
450

### 451 **Article 4: Health and Safety** 452

453 A. This Article 4 is applicable only where the prime contract is in an amount greater than  
454 \$100,000.  
455

456 B. No laborer or mechanic shall be required to work in surroundings or under working  
457 conditions which are unsanitary, hazardous, or dangerous to his or her health and safety as  
458 determined under construction safety and health standards promulgated by the Secretary of  
459 Labor by regulation.  
460

461 C. The Contractor shall comply with all regulations issued by the Secretary of Labor  
462 pursuant to 29 CFR Part 1926, and failure to comply may result in imposition of sanctions  
463 pursuant to the Contract Work Hours and Safety Standards Act, 40 U.S.C 3701 *et seq.*  
464

465 D. The Contractor shall include the provisions of this Article 4 in every subcontract so  
466 that such provisions shall be binding on each subcontractor. The Contractor shall take such  
467 action with respect to any subcontract as HUD or the Secretary of Labor shall direct as a means  
468 of enforcing such provisions.