

**Federal Acquisition Regulation (FAR)
Construction Wage Rate Requirements - Price Adjustment
(Actual Method)
OMB Control No. 9000-0154
Justification - Part A Supporting Statement**

FAR section affected: 52.222-32

Overview of Information Collection:

This justification supports clearance of an extension of the collection.

There are no program changes. The FAR requirements remain the same. This extension includes adjustments to the burden due to use of the latest data available in the Federal Procurement Data System (FPDS) and the calendar year 2024 OPM GS wage rates for the rest of the United States as explained in item 15.

1. Need & Method for the Information Collection. This clearance covers the information that contractors must submit to comply with the following FAR requirement:
 - FAR 52.222-32, Construction Wage Rate Requirements-Price Adjustment (Actual Method). This clause requires contractors to submit at the exercise of each option to extend the term of the contract, a statement of the amount claimed for incorporation of the most current Department of Labor wage determination, and any relevant supporting data, including payroll records, that the contracting officer may reasonably require.
2. Use of the Information. The contracting officer uses the information to establish the contract's construction requirements price adjustment to reflect the contractor's actual increase or decrease in wages and fringe benefits.
3. Use of Information Technology. Federal agencies use information technology to the maximum extent practicable. Where both the Government agency and contractors are capable of electronic interchange, the contractors may submit this information collection requirement electronically.
4. Non-duplication. These requirements are issued under the FAR, which has been developed to standardize Federal procurement practices and eliminate unnecessary duplication.
5. Burden on Small Business. The burden applied to small

businesses is the minimum consistent with applicable laws, Executive orders, regulations, and prudent business practices.

6. Less Frequent Collection. Collection of information on a basis other than contract-by-contract is not practical. This information is collected on occasion, only when the Government exercises an option to extend the term of a contract containing this clause. Collecting this information less frequently would prevent application of the proposed method of price adjustment.
7. Paperwork Reduction Act Guidelines. Collection is consistent with guidelines in 5 CFR 1320.5(d)(2).
8. Consultation and Public Comments.
 - A. A 60-day notice was published in the *Federal Register* at 89 FR 26149, on April 15, 2024. No comments were received.
 - B. A 30-day notice was published in the *Federal Register* at 89 FR 52466 on June 24, 2024.
9. Gifts or Payment. This collection does not provide any payment or gift to respondents, other than remuneration of contractors.
10. Privacy & Confidentiality. This information is disclosed only to the extent consistent with prudent business practices, current regulations, and statutory requirements.
11. Sensitive Questions. No sensitive questions are involved.
12. Burden Estimate.

SUMMARY - Public reporting		FAR 52.222-32
	Respondents	405
	Responses/respondent	1
that	Total annual responses	405
	Hours/response	40
	Burden Hours	16,200
were	Hourly rate*	\$83
	Estimated cost to public	\$1,344,600

There is no centralized database in the Federal Government maintains information regarding this matter. Subject matter experts consulted in preparing the estimated burden

hours along with FPDS data for the three most recent fiscal years 2021 through 2023.

The FAR clause at 52.222-32 may be used in fixed-price solicitations and contracts, subject to the Construction Wage Rate Requirements statute, that contain options to extend the term of the contract. Generally, this clause is only appropriate if contract requirements are predominately services subject to the Service Contract Labor Standards statute and the construction requirements are substantial and segregable.

The burden addressed in this information collection requirement is the burden of compiling and submitting the required information. The contractor is already required by law to keep payroll records and other supporting data. On average, FPDS indicates that 4,047 construction contractors in FY21-FY23 could potentially have had contracts with recurring options. However, we believe there are only approximately 10% of these that would contain the subject clause, since most would not have a price adjustment clause, and there are other FAR prescribed price adjustment clauses. Time required to read, and prepare information is estimated at 40 hours per response.

* Fully burdened rates include a 36.25 percent fringe factor (pursuant to the rate provided in OMB memorandum M-08-13 for use in public-private competition), and a 12 percent overhead rate (from A-76 revised supplemental handbook). Based on the Office of Personnel Management (OPM) 2024 General Schedule (GS) 13/step 5 salary for the rest of the United States (\$56.16 per hour) plus the fringe factor and the overhead rate, rounded to the nearest whole dollar (\$83).

13. Estimated nonrecurring costs. Not applicable.

14. Estimated cost to the Government. Time required to review the information is estimated at 5 hours per response.

SUMMARY - Government burden	FAR 52.222-32
Total annual responses	405
Hours/response	5
Burden Hours	2,025
Hourly rate*	\$83
Estimated cost to	\$168,075

Government

15. Reasons for changes. There are no program changes. The FAR requirements remain the same. This extension includes adjustments to the public and Government burden estimates based on the following:

- The estimated number of respondents and responses per year is based on FPDS data for the three most recent fiscal years (2021 through 2023).
- The estimated cost per hour is based on use of the current (calendar year 2024) OPM GS wage rates for the rest of the United States or Rates of Basic Pay for the Executive Schedule, as appropriate, that are effective January 2024, found at www.opm.gov.

	2021 Estimate	2024 Estimate	Change in Burden
Number of respondents	506	405	-101
Total annual responses	506	405	-101
Total burden hours	20,240	16,200	-4,040
Total annual cost to public	\$1,396,560	\$1,344,600	-\$51,960

16. Publicizing Results. Results will not be tabulated or published.

17. OMB Not to Display Approval. Approval to *not* display the expiration date for OMB approval of the information collection is not sought.

18. Exceptions to "Certification for Paperwork Reduction Submissions." There is no exception to the certification statement.

19. Surveys, Censuses, and Other Collections that Employ Statistical Methods. Statistical methods are not used in this information collection. A Part B supporting statement is not needed, or required, and therefore was not completed.