

EMPLOYMENT, LABOR & BENEFITS LEGAL UPDATE



In this Legal Update

September 9, 2010

New Requirements for Federal Contractors and Subcontractors

What happens if contractors don't apply?
... P. 2

About the Employment, Labor & Benefits Team ... P. 2

Employment, Labor & Benefits Attorneys ... P. 3

President Obama has signed Executive Order 13496, Notification of Employee Rights Under Federal Labor Law. Pursuant to this order, the Department of Labor issued its final regulations which contain important requirements for employers with federal government contracts and subcontracts. The regulations pertain to employee rights under the National Labor Relations Act and require both notice within contracts and notice to employees.

What federal contracts apply? The regulations apply to all primary government contracts that equal or exceed the simplified acquisition threshold which is currently \$100,000. The regulations also apply to the subcontracts necessary to primary contracts that equal or exceed \$100,000.

What are federal contractors and subcontractors required to do pursuant to these regulations? The regulations require contractors to perform in two primary ways.

First, the regulations require that all federal contracts, subcontracts, and purchase orders contain the notice provisions regarding employee rights under the National Labor Relations Act. Second, the regulations require the posting of notices pertaining to employee rights under the National Labor Relations Act at worksites. These rights include unionization, joining and assisting a union, and bargaining collectively with an employer. The notice also provides examples of unlawful conduct and information about who to contact if an employer is in violation.

The required notice must be posted wherever contracted-related activities are being performed. Additionally, if it is customary for employee notices to be sent electronically, a link to the notice must be posted and should be labeled "Important Notice About Employee Rights to Organize and Bargain Collectively with Their Employees." A notice poster in the English language developed by the Department of Labor can be obtained at http://www.dol.gov/olms/regs/compliance/EmployeeRightsPoster11x17_Final.pdf. Contractors with non-English speaking employees can find posters in different languages and sizes at <http://www.dol.gov/olms/regs/compliance/posterpg.htm>. These posters should be

- Continued -

As a service to our friends and clients, Ruder Ware provides legal updates via e-mail to keep subscribers informed of significant court decisions and legislative developments. If you are interested in participating in this free service, please e-mail your name, title, and business name to marketing@ruderware.com



posted at all worksites. Also, if employee notices are filed electronically, a link to these posters must be available and marked with the proper title. Posters must be reasonable in size and language.

What happens if contractors do not comply? Failing to comply with the notice requirements may result in revocation of the contract and debarment from future federal contracts.

Please feel free to contact Sara Ackermann, the author of this article, or any of the attorneys in the Employment, Labor & Benefits Practice Group of Ruder Ware: Ron Rutlin, Dean Dietrich, Jeff Jones, Mary Ellen Schill or Chris Toner, in the Wausau office (715.845.4336), or Shawn Rauckman in the Eau Claire office (715.834.3425) if you have any questions in regard to the new requirements.

© 2010 Ruder Ware, L.L.S.C. Accurate reproduction with acknowledgment granted. All rights reserved. This document provides information of a general nature regarding legislative or other legal developments. None of the information contained herein is intended as legal advice or opinion relative to specific matters, facts, situations, or issues, and additional facts and information or future developments may affect the subjects addressed.

ABOUT RUDER WARE'S EMPLOYMENT, LABOR & BENEFITS GROUP

Ruder Ware's Employment, Labor & Benefits practice group works in tandem with private and public employers providing counsel on all aspects of human resource management. The breadth of services offered, unique for a law firm headquartered in Wausau, Wisconsin, includes counsel on highly sensitive issues such as workplace harassment, employee privacy, drug and alcohol testing, and disciplinary issues. In addition, attorneys design and assist with the development, implementation, and enforcement of policies and procedures relating to benefits, hiring practices, employee handbooks, state and federal discrimination laws, FMLA, FLSA, ADA, OSHA, and workers' compensation.

Attorneys in the group regularly represent public and private sector employers in collective bargaining, negotiations, union elections, unfair labor practices, and grievance arbitration matters in addition to guiding nonunion clients on maintaining their union-free status.

Actively involved in organizations with human resource professionals as the primary member base, our attorneys are in tune with the various sensitivities and complexities of the profession. Our attorneys often present seminars and in-house training on employment law topics both across the state and nationwide.

Areas of practice by the Employment, Labor & Benefits practice group:

- Employee Benefits & Executive Compensation
- Employment Law
- Labor Law

Employment, Labor & Benefits Attorneys



Dean Dietrich, Chair
ddietrich@ruderware.com



Jeff Jones
jjones@ruderware.com



Ron Rutlin
rrutlin@ruderware.com



Mary Ellen Schill
meschill@ruderware.com



Sara Ackermann
sackermann@ruderware.com



Shawn Rauckman
srauckman@ruderware.com



Chris Toner
ctoner@ruderware.com



As part of a full-service law firm, our attorneys provide clients with a one-stop approach to their legal needs. Ruder Ware, the largest Wisconsin law firm headquartered north of Madison, also provides legal counsel in Business Transactions; Litigation & Dispute Resolution; and Trusts & Estates.