

22.605 Rulings and interpretations of the statute.

(a) As authorized by the Act, the Secretary of Labor has issued rulings and interpretations concerning the administration of the statute (see 41 CFR50-206). The substance of certain rulings and interpretations is as follows:

(1) If a contract for \$20,000 or less is subsequently modified to exceed \$20,000, the contract becomes subject to the statute for work performed after the date of the modification.

(2) If a contract for more than \$20,000 is subsequently modified by mutual agreement to \$20,000 or less, the contract is not subject to the statute for work performed after the date of the modification.

(3) If a contract awarded to a prime contractor contains a provision whereby the prime contractor is made an agent of the Government, the prime contractor is required to include the stipulations of the statute in contracts in excess of \$20,000 awarded for and on behalf of the Government for *supplies* that are to be used in the *construction* and equipment of Government facilities.

(4) If a contract subject to the statute is awarded to a contractor operating Government-owned facilities, the stipulations of the statute affect the employees of that contractor the same as employees of contractors operating privately owned facilities.

(5) Indefinite-delivery contracts, including basic ordering agreements and blanket purchase agreements, are subject to the statute unless it can be determined in advance that the aggregate amount of all orders estimated to be placed thereunder for 1 year after the effective date of the agreement will not exceed \$20,000. A determination *shall* be made annually thereafter if the contract or agreement is extended, and the contract or agreement modified if necessary.

(b) [Reserved]

Parent topic: [Subpart 22.6 - Contracts for Materials, Supplies, Articles, and Equipment](#)