

Jef Fagan, NECA General Counsel and Senior VP of Risk Management

10.23.2023

On September 28, 2023, the Department of Labor Published two notices that will raise the minimum wage of federal contracts starting on January 1, 2024.

The Department of Labor published a notice in the Federal Register announcing that, beginning January 1, 2024, the Executive Order 14026 minimum wage rate will increase to \$17.20 per hour (Minimum Wage for Federal Contracts Covered by Executive Order 14026, Notice of Rate Change in Effect as of January 1, 2024). This Executive Order minimum wage generally applies to workers performing work on or in connection with federal contracts that are entered into, renewed, or extended (pursuant to an option or otherwise) on or after January 30, 2022.

Contracts similar to those covered by <u>Executive Order 14026</u> that were entered into, renewed, or extended prior to January 30, 2022, are generally subject to subject to a lower minimum wage rate established by <u>Executive Order 13658</u> of February 12, 2014, Establishing a Minimum Wage for Contractors.

2. The Department of Labor published a notice in the Federal Register announcing that, beginning January 1, 2024, the Executive Order 13658 minimum wage rate will increase to \$12.90 per hour (Minimum Wage for Federal Contracts Covered by Executive Order 13658, Notice of Rate Change in Effect as of January 1, 2024). this Executive Order minimum wage generally applies to workers performing work on or in connect with federal contracts that were entered into, renewed, or extended before January 30, 2022.

This federal action will require all classifications including journeyworkers, apprentices, CW/CEs, and helpers, that perform work for such federal project shall be paid at minimum in accordance with these two Executive Orders.

It is advised that any questions or concerns should be directed to the local NECA Chapter Executive for further assistance.

This material is for informational purposes only. The material is general and is not intended to be legal advice. It should not be relied upon or used without consulting a lawyer to consider your specific circumstances, possible changes to applicable laws, applicable CBAs, prime contracts, subcontracts, rules and regulations and other legal issues. Receipt of this material does not establish an attorneyclient relationship.