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DEPARTMENT OF LABOR

29 CFR Part 9

RIN 1235-AA02; 1235-AA33

Nondisplacement of Qualified Workers Under Service Contracts; Rescission of Regulations

AGENCY: Wage and Hour Division, Department of Labor.

ACTION: Final rule; rescission of regulations.

SUMMARY: On October 31, 2019, President Trump issued an Executive order on improving Federal contractor operations, which revoked an Executive order concerning nondisplacement of qualified workers under Federal service contracts, and directed the Secretary of Labor to promptly rescind the regulations and policies implementing the revoked Executive order. The directive also ordered the termination of all investigations or compliance actions based on the revoked Executive order. In accordance with this directive, the Department of Labor is issuing a final rule to rescind the regulations on nondisplacement of qualified workers under service contracts, which were promulgated pursuant to the authority provided by the revoked Executive order.

DATES: This rule is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Amy DeBisschop, Director of Division of Regulations, Legislation, and Interpretation, Wage and Hour Division, U.S.

Department of Labor, Room S-3502, 200 Constitution Avenue, N.W., Washington, DC 20210, telephone: (202) 693-0406 (this is not a toll-free number).

SUPPLEMENTARY INFORMATION:

I. Executive Summary

On October 31, 2019, President Trump issued Executive Order 13897—Improving Federal Contractor Operations by Revoking Executive Order 13495 (84 FR 59709, November 5, 2019). Executive Order 13897 directs the Secretary of Labor to promptly rescind regulations and other materials implementing or enforcing Executive Order 13495. Accordingly, the Department issues this final rule rescinding 29 CFR part 9, Nondisplacement of Qualified Workers Under Service Contracts, as these regulations implement Executive Order 13495.

II. Background

Executive Order 13495 of January 30, 2009—Nondisplacement of Qualified Workers Under Service Contracts—provided that workers on a service contract be given the right of first refusal for employment with a successor contractor if they would otherwise lose their jobs as a result of expiration of the contract. The implementing regulations, 29 CFR part 9, were promulgated in accordance with the terms of Executive Order 13495 and were published in the *Federal Register* on August 29, 2011 (76 FR 53720). On October 31, 2019, President Trump issued Executive Order 13897—Improving Federal Contractor Operations by Revoking Executive Order 13495 (84 FR 59709, November 5, 2019). Executive Order 13897 directs the Secretary of Labor to terminate any investigations or compliance actions based on Executive Order 13495, and to “promptly move to rescind any orders, rules, regulations, guidelines, programs, or policies

implementing or enforcing Executive Order 13495.” Since the authority for these regulations no longer exists, the Department for good cause hereby finds that it is unnecessary and impracticable to afford notice and comment procedures on the rescission of the regulations at 29 CFR part 9, and that such rescission should be effective upon publication. As provided in Executive Order 13897, the revocation of Executive Order 13495 and the rescission of these regulations extend to all investigations or compliance actions based on Executive Order 13495.

III. Paperwork Reduction Act

The information collection requirements contained in the regulations at 29 CFR part 9 were previously approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1980 (Pub. L. 96–511) and assigned OMB Control Number 1235-0025. In light of the rescission of these regulations, the Department has submitted a request to OMB to discontinue the information collection under OMB control number 1235-0025.

List of Subjects in 29 CFR Part 9

Employment, Federal buildings and facilities, Government contracts, Law enforcement.

PART 9—[REMOVED AND RESERVED]

Accordingly, and under the authority of Executive Order 13897, 84 FR 59709, part 9 of title 29 of the Code of Federal Regulations is hereby removed and reserved.

Dated: January 15, 2020.

Cheryl M. Stanton,
Administrator, Wage and Hour Division.

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