

SERVICE CONTRACT LABOR STANDARDS EXEMPTION DETERMINATION

PF-307, Revision 1
Effective 08/04/2025

PART I DETERMINATIONS

By completion of this procurement form, Offeror will certify and represent Service Contract Labor Standards exemption status to any subcontract resulting from solicitation number _____. Offeror shall **complete Part II through Part V prior to signing Part I**. Dependent on Offeror's selections in this procurement form, the exemption status of Service Contract Labor Standards requirements will automatically populate in Part I.

Based on Offeror's selections in Part II through Part V, it is determined any subcontract resulting from this solicitation is _____ from Service Contract Labor Standards requirements.

An authorized representative of Offeror certifies with electronic signature.

Authorized Representative of Offeror

Offeror (Company) Name

- 1.1. If Offeror does not certify to its selections of this form, the procurement representative shall incorporate Service Contract Labor Standards article in any subcontract resulting from this solicitation and, if any subcontract resulting from this solicitation will exceed \$2,500, the appropriate Department of Labor wage determination.
- 1.2. If Offeror certifies to "NOT EXEMPT" to Service Contract Labor Standards and a Department of Labor wage determination is not attached to the solicitation, Offeror shall notify the procurement representative as soon as possible.
- 1.3. Failure of Offeror to complete or execute this certification or to contact procurement representative as required in paragraph (1.2) may render Offeror non-responsive.

1.4. Procurement representative shall confirm the exemption status of Service Contract Labor Standards to any subcontract resulting from this solicitation before award. If Offeror certifies EXEMPT from Service Contract Labor Standards, procurement representative shall make an affirmative determination and award subcontract(s) without Service Contract Labor Standards articles.

Procurement Representative Electronic Signature

PART II STATUTORY EXEMPTIONS

Select all statements applicable to subcontracts resulting from this solicitation. If any statement is selected, return to PART I for determination. If no statement is selected in PART II, continue to PART III.

- 2.1. Subcontract is for construction, alteration, or repair of public buildings or public works, including painting and decorating.
- 2.2. Subcontract work is in accordance with FAR 52.222-20 (DEC 1996).
- 2.3. Subcontract is for transporting freight or personnel by vessel, aircraft, bus, truck, express, railroad, or oil or gas pipeline where published tariff rates are in effect.
- 2.4. Subcontract is for furnishing services by radio, telephone, telegraph, or cable companies subject to the Communications Act of 1934.
- 2.5. Subcontract is for public utility services.
- 2.6. Subcontract is for employment for direct services to a Federal agency by an individual or individuals.

PART II STATUTORY EXEMPTIONS (CONT.)

2.7. Subcontract is for operating postal contract stations for the U.S. Postal Service.

2.8. Subcontract is for services with requirements not for the principal purpose of furnishing services (e.g., a subcontract principally for fabrication of an engineered component having a separate requirement for installation or maintenance services).

2.9. Subcontract is for work performed outside of the United States.

2.10. Subcontract is for individuals performing services employed by subcontractor exclusively as bona fide executive, administrative, or professional personnel.

2.11. Subcontract is principally for re-manufacturing of equipment so extensive as to be equivalent to manufacturing. Re-manufacturing shall be deemed to be manufacturing when **all criteria below are met:**

2.11.1. Major overhaul of degraded or inoperable items, pieces of equipment, or materials and all of the following conditions exist:

2.11.1.1. Items or equipment are required to be completely or substantially torn down into individual component parts.

2.11.1.2. All parts are reworked, rehabilitated, altered and/or replaced substantially.

2.11.1.3. Parts are reassembled as to furnish totally rebuilt items or pieces of equipment.

2.11.1.4. Manufacturing processes are utilized similar to processes used in the manufacturing of items or pieces of equipment.

2.11.1.5. Disassembled components, if usable (except for situations where the number of items or pieces of equipment involved are too few to make it practicable) are commingled with existing inventory and lose their identification with respect to a particular piece of equipment.

2.11.1.6. Items or equipment overhauled are restored to original life expectancy, or nearly so.

2.11.1.7. Work is performed in a facility owned or operated by the subcontractor.

2.11.2. Major modification of items, pieces of equipment, or materials is wholly or partially obsolete and all of the following conditions exist:

2.11.2.1. Items or equipment are required to be completely or substantially torn down.

2.11.2.2. Outmoded parts are replaced.

2.11.2.3. Items or equipment are rebuilt or reassembled.

2.11.2.4. Subcontract work results in the furnishing of a substantially modified items in usable and serviceable conditions.

2.11.2.5. Subcontract work is performed in a facility owned or operated by the subcontractor.

PART III CONDITIONAL EXEMPTIONS A

Select all statements applicable to subcontracts resulting from this solicitation. If any statement is selected, skip to PART V. If no statement is selected in PART III, continue to PART IV.

3.1. Subcontract is for procurement of automated data processing equipment and office information/word processing systems.

3.2. Subcontract is for procurement of scientific equipment and medical apparatus or equipment where the application of microelectronic circuitry or other technology of at least similar sophistication is an essential element (for example, Federal Supply Classification (FSC) Group 65, Class 6515, Medical Diagnostic Equipment”; Class 6525, X-Ray Equipment”; FSC Group 66, Class 6630, Chemical Analysis Instruments”; Class 6665, Geographical and Astronomical Instruments”, are largely composed of the types of equipment exempted under this paragraph).

3.3. Subcontract is for procurement of office/business machines not otherwise exempt pursuant to paragraph 3.2, where services are performed by manufacturers or suppliers of the equipment.

3.4. Subcontract is for maintenance, calibration, repair, or installation services (where installation is not subject to the Wage Rate Requirements (Construction) statute) for types of equipment where services are obtained from the manufacturer or supplier of the equipment under a subcontract awarded on a sole source basis.

PART IV CONDITIONAL EXEMPTIONS B

Select all statements applicable to subcontracts resulting from this solicitation. If statement 4.1 or 4.2 and 4.3 are selected, skip to PART V. If 4.1 or 4.2 and 4.3 is not selected in PART IV, return to PART I for determination.

4.1. Subcontract award is based on other factors in addition to price or cost, with the combination of other factors at least as important as price or cost.

4.2. Subcontract is to be awarded on a sole source basis.

4.3. Subcontract has an affirmative determination because **one of the below** conditions are true.

4.3.1. Subcontract is for automobile or other vehicle (e.g., aircraft) maintenance services (other than a subcontract to operate government motor pools, or similar facility);

4.3.2. Subcontract is for financial services involving the issuance and servicing of cards (including credit cards, debit cards, purchase cards, smart cards, and similar card services);

4.3.3. Subcontract is with hotels/motels for conferences, including lodging and/or meals being part of the subcontract for the conference (not including ongoing subcontracts for lodging on an as needed or continuing basis);

4.3.4. Subcontract is for transportation by common carrier of persons by air, motor vehicle, rail, or marine vessel on regularly scheduled routes or via standard commercial services (not including charter services);

4.3.5. Subcontract is for real estate services, including real property appraisal services, related to housing federal agencies or disposing of real property owned by the Federal Government; or

4.3.6. Subcontract is for relocation services, including services of real estate brokers and appraisers, to assist Federal employees in buying and selling homes (not including moving or storage of household goods and related services).

PART V CONDITIONS APPLICABLE

If any statement was selected in Part III or Part IV, select 5.1 if all statements are true.

5.1. Subcontract has an affirmative determination because **all of the below** conditions have been met.

5.1.1. Subcontract is for the service or items or equipment used regularly for other than Government purposes and are sold or traded by subcontractor in substantial quantities to the general public in the course of normal business operations.

5.1.2. Subcontract is for services furnished at prices established, or based on, catalog or market prices for maintenance, calibration, and/or repair of such commercial items.

5.1.3. Established catalog prices are included in catalogs, price lists, schedules, or other forms regularly maintained by manufacturers or vendors, are published or otherwise available for inspection by customers and state prices of sales currently, or were last, made to significant numbers of procurement representatives constituting the general public.

5.1.4. Established market prices are current prices, established in the usual course of trade between procurement representatives and sellers free to bargain, and can be substantiated through competition or from sources independent of manufacturers or subcontractors.

5.1.5. Subcontractor utilizes the same compensation (wage and fringe benefits) plan for all employees performing work under the subcontract as used for other subcontractor employees and equivalent employees servicing the same equipment of commercial customers.

5.1.6. Subcontractor employees performing services under the subcontract will spend a small portion of time in performance of the subcontract (a monthly average of less than twenty (20) percent of available hours on an annualized basis, or less than twenty (20) percent of available hours during the subcontract's period of performance if the subcontract's period of performance is less than one (1) month).

PART VI DEFINITIONS

6.1. Wage determinations are determinations of minimum wages or fringe benefits made under 41 U.S.C.6703 or 6707(c) applicable to employment in a given locality of one or more classes of subcontractors' service personnel.

6.2. United States are the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, Johnston Island, Wake Island, and the outer Continental Shelf as defined in the Outer Continental Shelf Lands Act (43 U.S.C.1331, etseq.), but does not include any other place subject to U.S. jurisdiction or any U.S. base or possession within a foreign country (29 CFR 4.112).

6.3. Service subcontracts over \$2,500 shall contain mandatory provisions regarding minimum wages and fringe benefits, safe and sanitary working conditions, notification to subcontractor' employees of minimum allowable compensations, and equivalent Federal employee classifications and wage rates. Under 41 U.S.C.6707(d), service subcontracts may not exceed 5 years.

6.4. Subcontractors performing on service subcontracts in excess of \$2,500 to which no predecessor subcontractor's collective bargaining agreement applies shall pay their employees at least the wages and fringe benefits found by the Department of Labor to prevail in the locality or, in the absence of a wage determination, the minimum wage set forth in the Fair Labor Standards Act.

6.5. Re-manufacturing does not include the repair of damaged or broken equipment not requiring complete tear-downs, overhauls, and rebuilds, or periodic and routine maintenance, preservation, care, adjustment, upkeep, or servicing of such equipment to keep it in usable, serviceable, working order. Such subcontracts typically are invoiced on an hourly rate (labor plus materials and parts) basis. Any subcontract principally for this type of work is subject to the Service Contract Labor Standards statute.

6.6. Subcontractor(s), at any tier, whose subcontract is subject to the provisions of the statute.

6.7 Service Contract Labor Standards are formerly know as the Service Contract Act of 1965.