

119TH CONGRESS
2D SESSION

H. R. 9571

To establish a minimum wage for all Federal contractors, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 2, 2026

Ms. ADAMS (for herself, Mr. CLEAVER, Mrs. McIVER, Mr. MCGOVERN, Ms. NORTON, Ms. TITUS, and Ms. WASSERMAN SCHULTZ) introduced the following bill; which was referred to the Committee on Education and Workforce, and in addition to the Committee on Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish a minimum wage for all Federal contractors,
and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Living Wage for Fed-
5 eral Contractors Act”.

1 **SEC. 2. FEDERAL CONTRACTOR MINIMUM WAGE.**

2 (a) FEDERAL CONTRACTOR MINIMUM WAGE RE-
3 QUIRED.—An employee shall be paid a basic hourly rate
4 of pay that is not less than—

5 (1) \$17.00 per hour, for the 1-year period be-
6 ginning on the first day of the third month that be-
7 gins after the date of enactment of this Act;

8 (2) \$19.00 per hour, for the 1-year period be-
9 ginning on the last day of the 1-year period de-
10 scribed in paragraph (1);

11 (3) \$21.00 per hour, for the 1-year period be-
12 ginning on the last day of the 1-year period de-
13 scribed in paragraph (2);

14 (4) \$23.00 per hour, for the 1-year period be-
15 ginning on the last day of the 1-year period de-
16 scribed in paragraph (3);

17 (5) \$25.00 per hour, for the 1-year period be-
18 ginning on the last day of the 1-year period de-
19 scribed in paragraph (4); and

20 (6) for the succeeding 1-year period after the 1-
21 year period described in paragraph (5), and for each
22 1-year period thereafter, the amount in effect under
23 subsection (b) for such 1-year period.

24 (b) DETERMINATION OF INFLATION ADJUSTED MIN-
25 IMUM WAGE.—

1 (1) IN GENERAL.—Not later than the date that
2 is 90 days prior to a new amount determined under
3 this subsection is to take effect for a 1-year period
4 as described in subsection (a)(6), the Secretary of
5 Labor shall determine the amount in effect under
6 this subsection for such 1-year period. The amount
7 determined under this paragraph for a 1-year period
8 shall be an amount equal to the greater of—

9 (A) the basic hourly rate of pay in effect
10 on the date preceding such 1-year period; or

11 (B) such rate of pay, multiplied by the
12 ratio of—

13 (i) the CPI–W of the preceding 1-year
14 period, to

15 (ii) the CPI–W for the 1-year period
16 immediately prior to such preceding 1-year
17 period.

18 (2) ROUNDING.—If the amount determined
19 under paragraph (1) for a 1-year period is not a
20 multiple of \$0.05, such amount shall be rounded up
21 to the nearest multiple of \$0.05.

22 (3) CPI–W DEFINED.—

23 (A) IN GENERAL.—In this subsection, the
24 term “CPI–W” means, when used with respect
25 to a 1-year period, the Consumer Price Index

1 for Urban Wage Earners and Clerical Workers
2 (United States city average, all items, not sea-
3 sonally adjusted), or its successor publication,
4 as determined by the Bureau of Labor Statis-
5 tics, for the base period of such 1-year period.

6 (B) BASE PERIOD.—Not later than the
7 date on which the Secretary first determines
8 the basic hourly rate of pay in effect under this
9 subsection, the Secretary shall select the base
10 period to be used for each 1-year period from
11 the following:

12 (i) The most recent month for which
13 the CPI–W is available.

14 (ii) The most recent quarter so avail-
15 able.

16 (iii) The most recent year so available.

17 (c) APPLICATION TO TIPPED WORKERS.—For em-
18 ployees covered under subsection (a) who are tipped em-
19 ployees (as defined in section 3 of the Fair Labor Stand-
20 ards Act of 1938 (29 U.S.C. 203(t))), the basic hourly
21 rate of pay that must be paid to such an employee shall
22 be an amount equal to—

23 (1) for the 1-year period beginning on the first
24 day of the third month after the date of enactment
25 of this Act, \$13 per hour;

1 (2) \$16 per hour, for the 1-year period begin-
2 ning on the last day of the 1-year period described
3 in paragraph (1);

4 (3) \$19 per hour, for the 1-year period begin-
5 ning on the last day of the 1-year period described
6 in paragraph (2);

7 (4) \$22 per hour, for the 1-year period begin-
8 ning on the last day of the 1-year period described
9 in paragraph (3);

10 (5) \$25 per hour, for the 1-year period begin-
11 ning on the last day of the 1-year period described
12 in paragraph (4); and

13 (6) for the 1-year period following the 1-year
14 period described in paragraph (5), and for each 1-
15 year period thereafter, the amount in effect under
16 subsection (a)(6).

17 (d) ENFORCEMENT.—

18 (1) TERMINATION OF WORK ON FAILURE TO
19 PAY AGREED WAGES.—Every contract within the
20 scope of subsection (a) shall contain a provision that
21 if the contracting officer finds that any worker em-
22 ployed by the contractor or any subcontractor pursu-
23 ant to such a contract has been or is being paid a
24 rate of wages less than the rate required by this Act,
25 the Federal Government, by written notice to the

1 contractor, may terminate the contractor's right to
2 proceed with the work (or the part of the work as
3 to which there has been a failure to pay the required
4 wages). The Government may have the work com-
5 pleted, by contract or otherwise, and the contractor
6 and the contractor's sureties shall be liable to the
7 Government for any excess costs the Government in-
8 curs.

9 (2) AUTHORITY TO PAY WAGES AND LIST CON-
10 TRACTORS VIOLATING CONTRACTS.—

11 (A) PAYMENT OF WAGES.—

12 (i) IN GENERAL.—A party who vio-
13 lates subsection (a) or (c) shall be liable to
14 an employee for an amount equal to twice
15 the sum of any unpaid wages due to any
16 employee engaged in the performance of a
17 contract.

18 (ii) FEDERAL GOVERNMENT PAY-
19 MENT.—The Secretary of Labor, or the
20 head of a Federal agency, as applicable,
21 shall, in accordance with clause (v), pay di-
22 rectly to a worker described in subsection
23 (a) or subsection (c) from any accrued
24 payments withheld under the terms of a

1 contract any wages to be due to the worker
2 under this Act.

3 (iii) RIGHT OF ACTION.—If the ac-
4 crued payments withheld under the terms
5 of the contract are insufficient to reim-
6 burse all the workers who have not been
7 paid the wages required under this Act,
8 the workers have the right to bring a civil
9 action and intervene against the contractor
10 and the contractor's sureties.

11 (iv) NO DEFENSE.—In an action
12 brought under clause (iii) by a worker, it
13 shall not be a defense that the worker ac-
14 cepted or agreed to accept wages less than
15 the minimum amount established under
16 this Act.

17 (v) CROSS WITHHOLDING.—The total
18 amount determined under subsection (a) or
19 subsection (c) due to any employee en-
20 gaged in the performance of a contract
21 may be withheld from accrued payments
22 due on the contract or on any other con-
23 tract between the same contractor and the
24 Federal Government. The amount withheld
25 shall be held in a deposit fund. On order

1 of the Secretary, the compensation found
2 by the Secretary of Labor or the head of
3 a Federal agency to be due an underpaid
4 employee pursuant to this chapter shall be
5 paid from the deposit fund directly to the
6 underpaid employee.

7 (B) LIST OF CONTRACTORS VIOLATING
8 CONTRACTS.—

9 (i) IN GENERAL.—The Comptroller
10 General shall distribute to each Federal
11 agency a list of the names of persons
12 whom the Comptroller General has found
13 to have disregarded their obligations to
14 workers and subcontractors.

15 (ii) RESTRICTION ON AWARDING CON-
16 TRACTS.—No contract shall be awarded to
17 persons appearing on the list or to any
18 firm, corporation, partnership, or associa-
19 tion in which the persons have an interest
20 until three years have elapsed from the
21 date of publication of the list.

22 (C) CIVIL PENALTY.—

23 (i) IN GENERAL.—Any party who re-
24 peatedly or willfully violates subsection (a)

1 or (c) shall be subject to a civil penalty not
2 to exceed \$1,100 for each such violation.

3 (ii) DETERMINATION.—In deter-
4 mining the amount of a penalty under
5 clause (i), the appropriateness of such pen-
6 alty to the size of the business of the party
7 charged and the gravity of the violation
8 shall be considered. The amount of any
9 penalty under this subparagraph, when fi-
10 nally determined, may be—

11 (I) deducted from sums owing by
12 the United States to the party
13 charged; or

14 (II) recovered in a civil action
15 brought by the Secretary in any court
16 of competent jurisdiction, in which
17 litigation the Secretary shall be rep-
18 resented by the Solicitor of Labor.

19 (3) EXEMPTION.—This section shall not apply
20 to a grant, contract, contract-like instrument, or
21 agreement entered into under the Indian Self-Deter-
22 mination and Education Assistance Act (25 U.S.C.
23 5301 et seq.) to which an Indian Tribe or Tribal or-
24 ganization (as such terms are defined in section 4 of
25 such Act (25 U.S.C. 5304)) is a party.

1 (e) REGULATION.—Not later than 180 days after the
2 date of enactment of this Act, the Secretary of Labor shall
3 issue such regulations as are necessary to carry out the
4 purposes of this section.

5 (f) DEFINITIONS.—In this section:

6 (1) CONTRACT.—The term “contract” means
7 any contract, subcontract (at any tier), or any con-
8 tract-like instrument a Federal agency enters into
9 for goods, services, or in connection with any activi-
10 ties on Federal lands.

11 (2) EMPLOYEE.—The term “employee” means
12 any worker performing work on or in connection
13 with a contract, including any worker whose wages
14 are calculated pursuant to special certificates issued
15 under section 14(c) of the Fair Labor Standards Act
16 of 1938 (29 U.S.C. 214(c)), but such term does not
17 include workers who are covered by—

18 (A) section 3142 of title 40, United States
19 Code; or

20 (B) section 6704 of title 41, United States
21 Code.

22 (3) FEDERAL AGENCY.—The term “Federal
23 agency” means an executive agency or an establish-
24 ment in the legislative or judicial branch of the Gov-

1 ernment, and includes all independent regulatory
2 agencies and the United States Postal Service.

3 (4) INDEPENDENT REGULATORY AGENCY.—The
4 term “independent regulatory agency” has the
5 meaning given the term in section 3502(5) of title
6 44, United States Code.

7 **SEC. 3. DAVIS-BACON MINIMUM WAGE.**

8 (a) IN GENERAL.—Section 3142(b) of title 40,
9 United States Code, is amended to read as follows:

10 “(b) BASED ON PREVAILING WAGE.—The minimum
11 wages shall be the higher of—

12 “(1) the wages the Secretary of Labor deter-
13 mines to be prevailing for the corresponding classes
14 of laborers and mechanics employed on projects of a
15 character similar to the contract work in the civil
16 subdivision of the State in which the work is to be
17 performed, or in the District of Columbia if the work
18 is to be performed there; or

19 “(2) the wage rate in effect under section 2(a)
20 of ‘The Living Wages for Federal Contractors
21 Act’.”.

22 (b) EFFECTIVE DATE.—The amendment by this sec-
23 tion shall apply with respect to contracts entered into on
24 or after the date of enactment of this Act.

1 **SEC. 4. SERVICE CONTRACT ACT MINIMUM WAGE.**

2 (a) IN GENERAL.—Section 6704(a) of title 41,
3 United States Code, is amended by striking “section
4 6(a)(1) of the Fair Labor Standards Act of 1938 (29
5 U.S.C. 206(a)(1)” and inserting “section 2(a) (or section
6 2(c), in the case of a tipped employee) of ‘The Living
7 Wages for Federal Contractors Act’ ”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 this section shall apply with respect to contracts entered
10 into on or after the date of enactment of this Act.

11 **SEC. 5. MINIMUM WAGE FOR PROCUREMENT CONTRACTS.**

12 (a) IN GENERAL.—Section 6502(1) of title 41,
13 United States Code, is amended by striking “not less
14 than” and inserting the following: “the higher of—

15 “(A) the prevailing minimum wages, as de-
16 termined by the Secretary, for individuals em-
17 ployed in similar work or in the particular or
18 similar industries or groups of industries cur-
19 rently operating in the locality in which the ma-
20 terials, supplies, articles, or equipment are to be
21 manufactured or furnished under the contract,
22 except that this paragraph applies only to pur-
23 chases or contracts relating to industries that
24 have been the subject matter of a determination
25 by the Secretary; or

1 “(B) the wage rate in effect under section
2 2(a) of ‘The Living Wages for Federal Contrac-
3 tors Act’.”.

4 (b) EFFECTIVE DATE.—The amendment made by
5 this section shall apply with respect to contracts entered
6 into on or after the date of enactment of this Act.

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