

1. **COMMENSURATE WAGE RATES**
  - a. **PIECE RATE PAYMENTS.** Workers with disabilities (including patient workers in hospitals or institutions) employed on a piece rate basis must be paid not less than the prevailing piece rate paid experienced employees who do not have disabilities for the work to be performed engaged in essentially the same type of work in the vicinity. In the absence of established piece rates for similar work, time studies or other tests may be used to establish piece rates.
  - b. **HOURLY RATE PAYMENTS.** Workers with disabilities (including patient workers in hospitals or institutions) employed on an hourly rate basis must be paid wage rates at least commensurate with the prevailing hourly wage rate paid experienced employees who do not have disabilities for the work to be performed in the vicinity for essentially the same type, quality and quantity of work.
2. **CONTRACTS SUBJECT TO THE McNAMARA-O'HARA SERVICE CONTRACT ACT.**
  1. This certificate extends authority to pay commensurate wages to workers with disabilities performing work subject to the McNamara-O'Hara Service Contract Act (SCA) but not less than the minimum wage rates specified below:
    - a. **MINIMUM WAGE.** The SCA wage determination incorporated in a service contract with the Federal Government or the District of Columbia will specify the prevailing minimum wage rates and fringe benefits which are to be paid to each of the classes of service employees performing covered SCA contract work or work necessary to the performance of the contract. Workers with disabilities shall be paid commensurate wage rates based on the applicable SCA wage determination.
    - b. **FRINGE BENEFITS.** All workers with disabilities who perform work on contracts subject to the SCA or who perform work necessary to the performance of the contract shall be paid fringe benefits in full as stated on the applicable SCA wage determination and in accordance with the provisions of 29 CFR Part 4.
    - c. **VIOLATIONS OF THE SCA PROVISIONS.** Failure to comply with these SCA provisions may result in the withholding of funds to cover unpaid wages and debarment from future Federal contracts.
    - d. **COVERAGE OF OTHER EMPLOYEES.** If a certificate holder is providing any services (other than linen supply service), subject to the SCA, those workers in the establishment in which the services are being performed who are not performing the service work must be paid in accordance with the applicable provisions of the FLSA. This holds true even where the non-service work would not otherwise be subject to the FLSA. Any questions regarding this requirement should be addressed to the nearest office of the Wage and Hour Division.
3. **OVERTIME REQUIREMENTS.**
  - a. **FAIR LABOR STANDARDS ACT (FLSA).** Persons covered by this Act, unless exempt, shall be paid not less than ONE AND ONE-HALF TIMES THEIR REGULAR RATES OF PAY AFTER 40 HOURS OF WORK IN A WORKWEEK.
  - b. **WALSH-HEALEY PUBLIC CONTRACTS ACT (PCA).** Persons covered by this Act, unless exempt, shall be paid not less than ONE AND ONE-HALF TIMES THEIR REGULAR RATES OF PAY AFTER 40 HOURS IN A WORKWEEK.
  - c. **McNAMARA-O'HARA SERVICE CONTRACT ACT (SCA).** Persons covered by this Act, unless exempt, shall be paid overtime in accordance with the terms of the FLSA or the Contract Work Hours and Safety Standards Act (CWHSSA) for all hours worked over forty in a workweek.
4. **RECORD KEEPING REQUIREMENTS.** In addition to the records required by Regulations 29 CFR Part 516, each certificate holder shall keep those records required by Regulations 29 CFR Part 525.16, as applicable, including but not limited to:
  - a. **DISABILITY** - showing the nature of the disability of each worker employed at a commensurate wage.
  - b. **PRODUCTIVITY** - showing the productivity of each worker with a disability or patient worker on a continuing basis or at periodic intervals (not to exceed 6 months in the case of workers paid hourly wage rates), including documents explaining how the productivity of the workers with disabilities not paid a piece rate is determined.
  - c. **PREVAILING WAGE RATES** paid in the vicinity to experienced workers who do not have disabilities for the work to be performed (updated at least every 12 months).
  - d. **PRODUCTION STANDARDS** and supporting documentation, including work measurements.
5. **CHILD LABOR.** Minors younger than 18 years of age must be employed in accordance with the child labor provisions of the FLSA. No person under 16 may be employed in manufacturing or processing or on a PCA contract.
6. **COMPLIANCE WITH HIGHER STANDARDS.** No provisions of this certificate shall excuse noncompliance with any other Federal, State, or local law or ordinance establishing higher standards.
7. **REVIEW OR CANCELLATION.** This certificate is issued without prejudice to the rights of any party to petition for review as provided in Regulation 29 CFR Part 525. The terms of this certificate may be amended for cause upon the request of the certificate holder, or worker with a disability or the parent or guardian of such worker or upon the initiative of the Administrator or the Administrator's authorized representative. This certificate is revocable by the Administrator or the Administrator's authorized representative for cause.
8. **EXPIRATION.** This certificate will expire on the date indicated as will the employer's authority to pay special minimum wages to workers with disabilities unless an application for renewal is properly and timely filed with the Wage and Hour Division prior to the expiration date. If a renewal application is properly and timely filed with the Wage and Hour Division, the certificate will remain in effect until the renewal has been granted or denied.