



READ THE FINE PRINT: Why some employers are unknowingly subject to the new \$10.10/hr minimum wage

Insights

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The Administration's seemingly endless Executive Orders are requiring employers to respond to numerous new requirements affecting safety, wages and EEO matters. Because the same company managers may have to deal with all three issues, we will periodically cover government contractor duties other than safety-related obligations.

The OFCCP estimates there are approximately 200,000 employers with 50 or more employees that have more than \$50,000 in federal contracts. When an employer crosses this threshold, it subjects itself to demanding, federally mandated requirements. Clearly, an employer that knowingly enters a contract with the federal government is aware of its obligations. **Many employers, however, are unaware that acting as a supplier, provider, partner, or sister-company of a federal contractor, the employer may transform into a federal subcontractor that is subject to the full slate of federally mandated requirements.** It is this less direct relationship with the federal government that could create financial liabilities for employers, while simultaneously kicking the door wide open for thorough government investigations.

To learn more about the new \$10.10/hr minimum wage or about federal contractor status, read the full article [here](#).