

ALERT

DOL Announces Pilot Program to Accelerate Process for Discretionary Suspensions and Debarments

April 5, 2019

WHAT: The Department of Labor (DOL) has announced a new pilot program that will make the agency's discretionary suspension and debarment process faster, with the aim of saving resources by streamlining the process. The goal of the program is to reduce the processing time for discretionary suspensions and debarments from months into days. In order to accomplish this goal, the DOL's Office of Inspector General will be required to include more information in its referrals to the Office of the Assistant Secretary for Administration and Management (OASAM). According to DOL, due process and fairness protections for those facing potential exclusion will be preserved in the new program.

WHEN: The pilot program will be in effect from April 2019 to April 2020.

WHAT DOES IT MEAN FOR INDUSTRY: The pilot program only affects discretionary suspensions and debarments, actions that may exclude a contractor from federal contracting for a period of twelve months to up to three years in the case of a debarment. The program does not affect mandatory suspensions and debarments under certain labor laws such as the Service Contract Act.

DOL reports that it has enhanced its discretionary suspension and debarment efforts in recent years, which has resulted in an increase in both types of administrative actions. For example, DOL reports that it had eight total discretionary exclusions, covering both suspensions and debarments, between Fiscal Year (FY) 2010 and FY2016, but 61

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such actions during FY2017-2018. The pilot program is an indication that DOL is seeking to continue these efforts, and the new program may increase the number of enforcement actions as the process becomes more streamlined.

Contractors are advised that now is a good time to review their labor and compliance policies and practices to ensure that they are in compliance with all laws and have adequate systems in place to remain presently responsible and protect against the types of actions that may lead to a suspension or debarment.