

CLIENT ALERT

Davis-Bacon Violation Leads to FCA Liability

Oct.16.2012

On October 1, the Sixth Circuit in *United States ex rel. Wall v. Circle C Constr., LLC*, affirmed a decision imposing FCA liability when a prime had submitted inaccurate or false payroll certifications that did not properly describe work done by its subcontractors and that also contained hourly wages for subcontractor employees that did not meet federal guidelines for prevailing wages under the Davis-Bacon Act. This opinion serves as an important reminder to primes and subcontractors that failure to comply with minimum wage rate requirements may have significant adverse consequences and also suggests that companies that learn of such violations must carefully consider whether mandatory disclosure pursuant to FAR Subpart 9.4 or 52.203-13 is required.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

Kris D. Meade

Partner – Washington, D.C.

Phone: +1 202.624.2854

Email: kmeade@crowell.com