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INTERIOR ADOPTS NEW POLICY ON LISTING OF SUBCONTRACTORS

Secretary of the Interior Stewart L. Udall today announced a new Departmental order which will require bidders on all Interior building construction work throughout the Nation to list with their bids the names and addresses of their subcontractors. This new policy supersedes experimental procedures which had been in effect since December 1963, but which were limited to Interior construction projects in Arizona and New Mexico and parts of the Navajo Indian Reservation in Utah and Colorado.

Under the terms of the new directive, all building construction and alteration projects estimated to involve over $150,000 are to be covered by the subcontractor listing requirement. Illustrative of the types of construction projects affected are visitor centers, school buildings, dormitories, employee housing and hospitals. The requirement applies to both negotiated and formally advertised contracts.

Secretary Udall stated:

"Our new procedures, which closely follow the pattern of regulations on subcontractor listing issued by the General Services Administration, are designed to promote maximum stability in subcontractor selection, and to eliminate as far as possible the practice of 'bid peddling.' In a very real sense, the policy is advantageous to small business."

Secretary Udall pointed out that the required listing of subcontractors is to include such subcontracting activities as plumbing, heating, ventilating, air-conditioning, masonry, elevators, and electrical work when the estimated cost of each of the categories is equal to or greater than 2 percent of the total estimated cost of the entire project. If a contractor's own firm is to be subcontractor, that fact is to be listed.

Selected categories of work to be listed also may be broadened to include categories valued at less than 2 percent "when, in the judgment of the contracting bureau or office, such listing is appropriate to protect the interests of the classes of subcontractors eligible to bid on such categories," Secretary Udall's order says.

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