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United States General Accounting Office Washington, D.C. 20548

Office of the General Counsel

B-230499

April 21, 1988

Mr. Celendonio Baybayan, Jr. President and Vice President Ms. Carolina Baybayan Secretary and Treasurer C.B.J. Painting Company, Inc. 125 Aleiki Paia, Maui, Hawaii 96779

Dear Mr. Baybayan and Ms. Baybayan:

Subject: C.B.J. Painting Company, Inc. Paia, Maui, HI Project Nos.: CX8000-4-0043

CX8000-4-0043 Painting exterior of historic structures Kalaupapa National Historic Park Kalaupapa, Molokai, HI

DAHC77-84-D-0572 Open end interior painting of miscellaneous buildings Fort Shafter, Tripler Army Medical Center

Fort Derussy and Kapalama Military Reservation, HI

DTCG34-83-C-00883 Paint Pearl Harbor West Loch Range Rear Light Pearl Harbor, HI

DTCG34-84-C0947 Interior alterations of HF-80 transmitters USCG Communications Station Lualuaki, Oahu, HI

DAHA50-84-C-0005 Construction of overhead doors at Building 3380 Hickam Air Force Base, Oahu, HI

DAHA50-83-C-0016 Painting exterior of Building 3400 Hickam Lir Force Base, Oahu, HI

DOL File No.: 85-914-50132

The Administrator, Employment Standards Administration, Wage and Hour Division, United States Department of Labor, by letter dated March 2, 1988, recommended to our Office that C.B.J. Painting Company, Inc., Celedonio Baybayan, individually and as President and Vice President of C.B.J. Painting Company, Inc., and Carolina Baybayan, individually and as Secretary and Treasurer of C.B.J. Painting Company, Inc., be placed on the ineligible bidders list for violations of the Davis-Bacon Act, 40 U.S.C. §§ 276a to 276a-5 (1982), with respect to the above-referenced contracts.

We concur with the Administrator's recommendation. The Davis-Bacon Act provides that the Comptroller General is to debar persons or firms whom he finds have disregarded their obligations to employees under the Act. 40 U.S.C. § 276a-2. Our review of the record confirms that there were substantial violations in this case which constitute a disregard of obligations to employees with respect to the minimum wage provisions of the Davis-Bacon Act.

Also, the Administrator directed us to place the company and the Baybayans in their individual and corporate capacities on the ineligible bidders list for violations of the Copeland (Anti-Kickback) Act, 42 U.S.C. § 276c (1982). For violations of this Act, we do not conduct reviews of the record. We merely perform the ministerial act of including on the ineligible bidders list any firms or individuals reported to us by the Department of Labor to have violated this Act.

Accordingly, C.B.J. Painting Company, Inc., Celedonio Baybayan, individually and as President and Vice President of C.B.J. Painting Company, Inc., and Carolina Baybayan, individually and as Secretary and Treasurer of C.B.J. Painting Company, Inc., will be included on a list to be distributed to all departments of the government. Pursuant to statutory direction at 40 U.S.C. § 276a-2, no contract shall be awarded to them or to any firm, corporation, partnership, or association in which they, or any of them, have an interest until 3 years have elapsed from the date of publication of such list.

Sincerely yours,

Henry R. Wron

Henry R. Wray Associate General Counsel

cc: Sylvester L. Green, Director Contract Standards Operations U.S. Department of Labor Room S3518 200 Constitution Avenue, N.W. Washington, D.C. 20210

> Associate Director, Claims Group GGD