OFFICE OF GENERAL COUNSEL

B-222058

August 15, 1986

Mr. Kenneth M. Baxter
President
K. M. Baxter, Inc.
11118 El Nepal
Post Office Box 1215
Lakeside, California   92040

Dear Mr. Baxter:

Subject: K. M. Baxter, Inc.
          Contract No. N62474-80-C-9455
          DOL File No. IX-85-CA-113

The Assistant Administrator, Employment Standards
Administration, United States Department of Labor, by letter
dated August 13, 1985, recommended to our Office that
K. M. Baxter, Inc., and Kenneth M. Baxter, individually and as
president of K. M. Baxter, 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
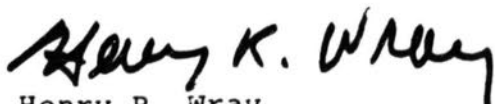contract.

We concur with the Assistant 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 employeees with respect to the minimum wage
provisions of the Davis-Bacon Act.

Accordingly, K. M. Baxter, Inc., and Kenneth M. Baxter
individually and as president of K. M. Baxter, 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.

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The record indicates that restitution has been made to the workers involved.

Sincerely yours,

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

    Group Director, Claims Group/GGD
      with file Z-2863637