

Davis-Bacon, OSHA, Jones Act, and Buy American

Executive Summary. A quick background on terms you hear every day in federal construction contracting: Davis-Bacon, OSHA, Jones Act, and Buy American.

The terms. Each of the items in the title were introduced by the federal government. Here's a quick background on each of them.



- Davis-Bacon Act – Senator James Davis (Republican, Pennsylvania) and Representative Robert Bacon (Republican, New York) sponsored the Davis-Bacon Act of 1931 which was signed into law by President Herbert Hoover. Basically, it requires that contractors and subcontractors working on public building or public works jobs pay the local prevailing wage.
- OSHA – The Occupational Safety and Health Administration is an agency which was established under President Nixon in 1970. Its mission is to protect workers through the establishment of standards, the providing of education, and the appropriate enforcement.
- Jones Act – Also known as the Merchant Marine Act of 1920, this law was introduced by Senator Wesley Jones of Washington and was intended to protect the American merchant marine. It requires that all goods transported across water between U.S. ports be done by US-flagged ships. Today it's very controversial in some circles because it results in very high cost to the taxpayer.
- Buy American – This is the informal name of the Buy American Act which was passed in 1933 by Congress and signed into law by President Herbert Hoover. This is different from the Buy America Act from 1983 which applies to mass transit programs wholly or partially funded by the federal government. Both Acts require contractors to buy American-made products and anyone that has dealt with this has a never-ending battle with "made in" versus "manufactured in" versus "assembled in".



My Story. I've dealt with one or more of these on almost every job I've ever had. I've had the least experience with the Jones Act (even though I've spent a great deal of my career in Hawaii – an island *state* in the middle of the Pacific Ocean). I've had the worst experience with Buy American/America – every supplier deals with the definition of "made in America". I find that each of them has helped America and hurt it – each of them has helped

the common American put a few more bucks in his pocket, but each of them has cost the taxpayer tremendously.