



Davis-Bacon and Related Acts Wage Determination Surveys



WAGE AND HOUR DIVISION
UNITED STATES DEPARTMENT OF LABOR

dol.gov/agencies/whd
1-866-4-US-WAGE

Introduction

- The Wage and Hour Division (WHD) is responsible for administering and enforcing several federal laws involving labor standards including:
 - The Davis-Bacon and Related Acts (DBRA);
 - The McNamara – O’Hara Service Contract Act (SCA);
 - Executive Orders applicable to federal contractors;
 - The Fair Labor Standards Act (FLSA);
 - Family Medical Leave Act (FMLA).

Davis-Bacon and Related Acts

- The DBRA applies to contractors and subcontractors performing on federal or federally assisted contracts in excess of \$2,000 for construction, alteration, or repair.
- Covered contractors and subcontractors must pay their laborers and mechanics working on the site of work no less than the locally prevailing wages and fringe benefits for corresponding work on similar projects in the area.

Davis-Bacon Act Surveys

- All construction types
- Conducted by WHD Branch of Wage Surveys
- Survey - Schedule and Status on WHD Website:

<https://www.dol.gov/agencies/whd/government-contracts/construction/surveys>

Some Reasons to Survey

- Age of current WD
- Level of construction activity
- Number of conformances

Three Basic Elements

- Survey Area – primarily statewide
(rates will be issued by locality – typically by county)
- Construction Type (building, residential, heavy, and highway)
- Survey timeframe

Obtaining and Compiling Wage & Fringe Benefit Data

- Payment data on construction projects from construction contractors and other interested parties
- Certified payrolls provided by federal agencies from Davis-Bacon contracts (supplements data from other sources, where appropriate)

Wage Survey Process – Reviewing Data

- Request for subcontractor contact information
- Notification of contractors and interested parties
- Non-respondent follow-up
- Data collection, analysis and clarification

Wage Survey Process – Base Hourly Rate

- The prevailing wage includes both wages and fringe benefits
- Basic hourly rate calculation:
 - Majority Rate: Single hourly rate paid to a majority of workers, or,
 - 30% Rate: Single hourly rate paid to the greatest number of workers, provide it was paid to at least 30% of workers, or
 - Weighted Average Rate: No rate is paid to 30%
 - NOTE: If insufficient data is received for a classification, no rate will be recommended

Wage Survey Process – Fringe Benefits

Fringe Benefit Calculation:

- Majority of workers must first receive a fringe benefit:
 - Majority Rate
 - 30% Rate, or
 - Weighted Average Rate

Functionally Equivalent

- Variable rates paid to workers for the same classification can be treated as the same provided there is an underlying logic to the difference between them
- Collective bargaining agreements or written company policies need to explain how rates are functionally equivalent

County Grouping

- Prevailing wages will be calculated at the county level first.
- If insufficient data is received at the county level, the data will be expanded to:
 - Surrounding counties
 - Comparable counties or groups of counties
 - Statewide

Project Funding

- Data from all projects, regardless of the funding source, will be considered in the survey process.
- For highway and heavy projects, data from federally funded projects will be included in the calculation.
- For building and residential projects, data from federally funded projects may be included if insufficient data is received at county, comparable counties, or statewide levels to make a prevailing wage determination.

Survey Sufficiency Criteria

- Sufficient data must be received for at least half the KEY CLASSES of a construction type
- Key classes are the classifications determined necessary for each construction type.

Key Classes – Building Construction

- Boilermaker
- Bricklayer
- Carpenter
- Cement Mason/Concrete Finisher
- Electrician
- Heat & Frost Insulator
- Ironworker
- Laborer - General
- Painter
- Pipefitter-Steamfitter
- Plumber
- Power Equipment Operator
- Roofer
- Sheet Metal Worker
- Tile Setter
- Truck Driver

Key Classes – Heavy & Highway Construction

- Carpenter
- Cement Mason/Concrete Finisher
- Electrician
- Ironworker
- Laborer - General
- Painter
- Power Equipment Operator
- Truck Driver

Key Classes – Residential Construction

- Bricklayer
- Carpenter
- Cement Mason/Concrete Finisher
- Electrician
- Ironworker
- Laborer-General
- Painter
- Plumber
- Power Equipment Operator
- Roofer
- Sheet Metal Worker
- Truck Driver

Wage Survey Process – Finalizing Results

- Verification procedures
- Supplemental Rate Analysis
- Survey Audit
- Survey results to the Branch of Construction Wage Determinations (BCWD)
- Wage determination publication

Impact of Non-Participation in the Survey

- Prevailing rates may be based on less data, or on data from outside the county where work is being performed
- Prevailing wage rates and fringe benefits may be less likely to reflect the wage rates and fringe benefits that contractors pay their employees
- Wage decisions with missing classifications of workers may create uncertainty in the bidding process

Impact of Survey Participation

Accuracy and completeness of wage determinations is dependent upon:

- Survey participation by contractors, unions, contractor associations, federal agencies and other interested parties
- Level of construction activity

Impact of Survey Participation

- Attending Survey Briefings
- Submitting WD10s
- Submitting subcontractor lists (WD-10A)

Will increase Quantity and Quality of Wage Determinations.

Internet Sites

- Wage Determinations: <https://sam.gov>
- Wage and Hour Division: <http://www.dol.gov/agencies/whd/government-contracts>
- WHD Protections for Workers in Construction under the Bipartisan Infrastructure Law: <https://www.dol.gov/agencies/whd/government-contracts/protections-for-workers-in-construction>
- Resource Book: <http://www.dol.gov/agencies/whd/prevaling-wage-resource-book>
- Office of the Administrative Law Judges Law Library: <https://www.dol.gov/agencies/oalj/topics/libraries/LIBDBA>
- Prevailing Wage Topic videos: <https://www.dol.gov/agencies/whd/government-contracts/construction/presentations>

Connect with Us

- Visit dol.gov/newsroom/digital
- WHD Twitter: twitter.com/whd_dol
- DOL Facebook: facebook.com/departmentoflabor
- DOL YouTube: youtube.com/user/USDepartmentofLabor
- DOL Blog: blog.dol.gov

Disclaimer

This presentation is intended as general information only and does not carry the force of legal opinion.

The Department of Labor is providing this information as a public service. This information and related materials are presented to give the public access to information on Department of Labor programs. You should be aware that, while we try to keep the information timely and accurate, there will often be a delay between official publications of the materials and the modification of these pages. Therefore, we make no express or implied guarantees. The Federal Register and the Code of Federal Regulations remain the official source for regulatory information published by the Department of Labor. We will make every effort to keep this information current and to correct errors brought to our attention.