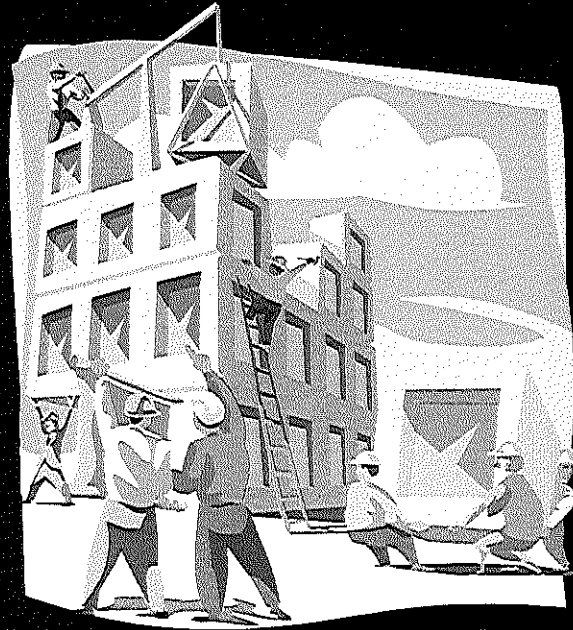


Public Forum on Prevailing Wage



**Connecticut Department of Labor
Wage and Workplace Standards Division**

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C.G.S. Section 31-53

Enacted in 1933

- **To ensure that the hourly wage commonly paid to construction workers in that area was maintained**
- **To prevent the government low bid requirements from reducing the market price for labor to levels that would disrupt the local economy**

When is Prevailing Wage

- **Public Works Projects financed by the State, Political Subdivision, and their agents, for the benefit or use of the general Public**
- **The State, Political Subdivision, or their Agent must award the contract and be a party to the contract, not be a mere grantor of funds**
- **New construction, as well as remodeling, refinishing, refurbishing, rehabilitation, alteration, additions, and repair**

IMPORTANT NOTE

The Prevailing Wage requirement

- DOES NOT FOCUS on the funding or the source of funding**
- But rather on the contractual nature of the work to be performed**

**This is different from Federal Davis-Bacon
which looks solely at whether federal
funds are being used in the construction
of the public works project**

What are the Dollar Thresholds?

- Projects where the total cost for all work performed, regardless of the number of contracts or subcontracts, that are less than the Dollar Threshold are **NOT COVERED** by the Prevailing Wage Law.
- **1961: \$5,000 All Projects**
- **1979: \$50,000 New + \$10,000 Renovation**
- **1985: \$200,000 New + \$50,000 Renovation**
- **1991: \$400,000 New + \$100,000 Renovation**

What is the “Prevailing Wage”?

PW = Base Hourly Rate + Fringe Benefit Rate

- **PW is paid to Laborers and Mechanics**
as Cash Wages or a combination of Cash Wages
and employer paid bona fide Fringe Benefits
- **Fringe Benefits are Health and Welfare costs:**
Health Insurance, Pension Plans, Holiday,
Vac/Sick/PTO, Disability Insurance
- **Registered Apprentices**
Paid % Base + 100% Fringe

How is the PW Rate set?

Public Act 77-442

Gave the Labor Commissioner authority
to adopt the prevailing wage determinations
set by the U. S. Secretary of Labor
under the Davis-Bacon Act

USDOL conducts wage surveys :

Based on specific geographical areas

Equal to the majority wage or an average

When survey rate = union rate – post annual increases

Types: Building, Residential, Heavy/Highway

Typical Problems

- Contracting agencies or their agents fail to request Prevailing Wage rate schedules from the Labor Department at least 10 days but no more than 20 from the advertised date of bid
- Confusion over what is "new" construction(\$400,000) threshold and what is renovations(\$100,000)threshold
- Failure to pay Full PW rate including Fringe rate
- Not paid PW for all hours worked
- Use of independent contractors
- Unregistered Apprentices or working unsupervised
- Trade Misclassification based on work performed
- Failure to report ALL workers on certified payroll

DOL Resources

- Telephone: (860) 263-6542 or 263-6543
- Website: www.ctdol.state.ct.us

Guide to PW Laws in CT Book:

[/wgwkstnd/prevaling rates/PrevailingWageGuide/index.htm](http://wgwkstnd/prevaling rates/PrevailingWageGuide/index.htm)

Debarment Lists:

[/wgwkstnd/wgdisbar.htm](http://wgwkstnd/wgdisbar.htm)

Additional informational and educational materials

- Conduct PW Seminars
- Quick Review of CT PW Requirements Booklet