

DAVIS – BACON

ARRA funds, such as the clean energy, qualified energy, qualified zone, qualified school construction and recovery zone bonds, and many other forms of federal financial assistance that are spent on construction activities exceeding \$2,000, must comply with the prevailing wage requirements of the Davis-Bacon and Related Acts (DBA) requirements.

When federal dollars are paying for a construction project, the federal government wants to ensure that the workers on that project are paid a “prevailing wage” at least a certain level of pay.

To ensure that the prevailing wage is met, each entity should perform at least the following steps:

1. Check your grant documents to determine if Davis-Bacon is applicable.
2. Go to the Department of Labor web site to get a list of the prevailing wages for your area: www.wdol.gov/dba.aspx#0

Select the propera. state, b. county, and c. construction type (usually buildings) to get the prevailing wage chart for your area. On the bottom of the page, look for “printer friendly version”.

Provide this schedule of prevailing wages to each bidder when you provide them the specs.

3. Make sure that these words, “The contractor must comply with the minimum rates for wages for laborers and mechanics as determined by the Secretary of Labor in accordance with the provisions of the Davis-Bacon and Related Acts.” or “This project is funded in part with monies from (insert type) as authorized under the American Recovery and Reinvestment Act. All work performed on this project will be subject to the federal prevailing rate of wage under the Davis-Bacon Act, 40 U.S.C. 3141, et seq., as applicable.” occur in the following areas:

- A. Notice for bidders in the paper
- B. In the specs for the project
- C. In the contract that is signed between the entity and the contractor

4. The entity, or the assigned agent of the entity (such as the architect), must receive copies of each payroll for the workers putting time on your project. The pay rates of the contractor’s employees are compared to the DOL prevailing rates for compliance.

5. Retain the payrolls as proof that compliance with Davis-Bacon provisions was tested. The auditors will be looking for evidence of prevailing wage testing.

Most importantly, go to the DOL website and other sources to do some general reading to develop a strong background on Davis-Bacon.