

Department of Administration Intergovernmental Relations Division

Tom Barrett Mayor

Sharon Robinson Director of Administration

Paul Vornholt
Director of Intergovernmental Relations

Changes to Prevailing Wage in Governor's Proposed 2009-2011 Budget

1. Thresholds for Public Works Projects

- a. Eliminate the current single-trade & multiple-trade project cost thresholds in which prevailing wages go into effect.
- b. Instead \$2,000 would be the estimated cost of completion below which state and local public works projects would not apply to prevailing wage provisions.
- c. Eliminate the definition for single-trade & multiple-trade projects

2. Required Records

- a. "A contractor, subcontractor or agent performing work on a project that is subject to the prevailing wage law must submit, on a weekly basis, a certified record of information for the preceding week to the local government unit, state agency or private owner or developer authorizing the work."
 - i. "Name and trade occupation of every person subject to prevailing wage laws, and an accurate record of the hours worked and wages paid to those persons during the preceding week."

3. Frivolous Complaints

a. DWD will charge the requester for the cost of inspection of payroll records to see if a project is in compliance with the law, only if the request was made in bad faith.

4. Discrimination Investigations

- a. Currently, DWD must investigate a complaint (i.e. discrimination, whistleblower law, etc.) to determine whether there is probable cause to believe a violation occurred. If DWD finds no probable cause, the complainant may request a hearing on the issue of probable cause before a hearing examiner.
 - i. Changes law that if there is no finding of probable cause, it may be appealed to a circuit court.

5. Publicly Funded Private Construction Projects

- a. Financial assistance definition: "A construction project that receives any grant, cooperative agreement, loan, contract, other than a public works contract, a supply procurement contract, a contract of insurance or guaranty, or a collective bargaining agreement, or any other arrangement by which a local governmental unit provides or otherwise makes available assistance in any of the following forms:"
 - i. Funding
 - ii. Transfer or lease of real or personal property of the local governmental unit or of any interest in or permission to use, other than on a casual or transient basis, that property for less than fair market value or for reduced consideration.
 - iii. Proceeds from a subsequent transfer or lease of real or personal property transferred or leased from the local governmental unit, if the local governmental unit's share of the fair market value of the property is not returned to the local governmental unit.
 - iv. A redevelopment contract, economic development agreement, revenue agreement (i.e. TIF district)
- b. "Requires all laborers, workers, mechanics, and truck drivers employed to be paid not less than the prevailing wage rate, and to be paid overtime pay for all hours worked in excess of the prevailing hours of labor."
- c. "Provisions would not apply for any projects in which the estimated cost of completion was less than \$2,000."

For more information, please contact: