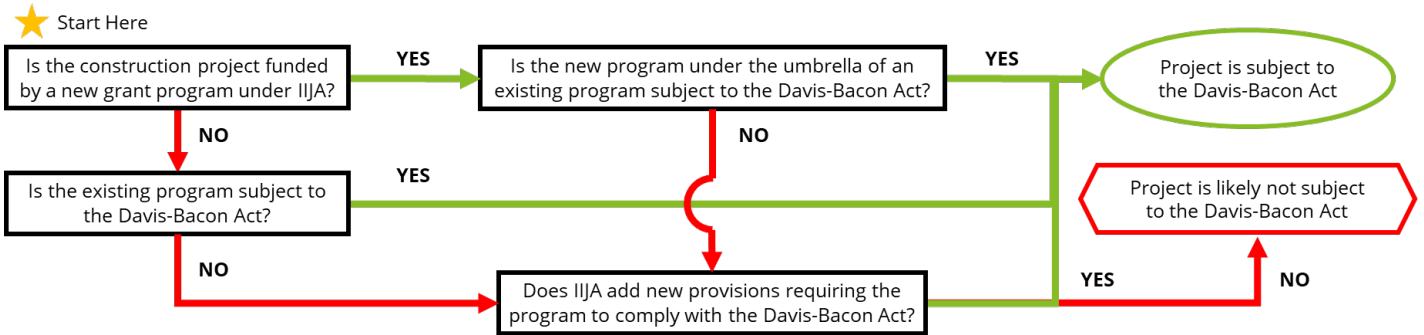




The Davis-Bacon Act Fact Sheet

October 2023

The Davis-Bacon Act applies to federally-funded or assisted (covered) contracts over \$2,000 for the construction, alteration, or repair of public buildings or public works.¹ The Davis-Bacon Act requires laborers and mechanics employed on federal covered contracts to be paid no less than the locally prevailing wages for corresponding work on similar projects in the area.¹ The following process tests if the Davis-Bacon Act applies to a construction project funded or assisted through the Infrastructure and Investment Jobs Act (IIJA):²



Covered Worker

Covered workers perform job duties that are physical and manual in nature, including:

- Laborers and mechanics, including apprentices, trainees, and helpers³
- Watchmen or guards in contracts subject to the Contract Work Hours and Safety Standards Act³
- Working foremen who devote > 20% of their time during a workweek to mechanic or laborer duties³

Compliance

A wage determination is a document published by the U.S. Department of Labor (DOL) on sam.gov detailing the prevailing wages (base hourly rate and fringe benefits) for each labor classification in a predetermined geographical area for a particular type of construction.⁴

	Rates	Fringes
PLUMBER (Includes HVAC Pipe Installation).....	\$ 30.08	11.56

The funding recipient is responsible for searching for and determining the appropriate wage determination. To do so, the funding recipient must select the applicable:

- State
- County
- Construction Type (building, residential, highway, or heavy)⁵

The funding recipient must include Davis-Bacon Act labor standards clauses and applicable wage determinations in covered construction contracts.⁶

Payroll Reporting Requirements

- Covered workers shall be paid weekly.³
- For covered contracts over \$100,000, covered workers must be paid one and one-half times their basic rate for all hours over 40 in a work week.⁷
- The funding recipient must review certified weekly payrolls for compliance and maintain records for three years after the completion of the project.² Records may be requested by DOL during investigations.

Compliance Monitoring and Investigations

- The funding recipient must ensure covered workers are listed, classified properly, and paid the amount reported on the payroll by performing the following monitoring activities:
 - Performing periodic employee interviews;
 - Confirming payroll deductions; and
 - Reviewing daily site reports.²

Noncompliance findings can lead to debarment, withholding of contract funds, or civil or criminal prosecution.² Funding recipients must comply with requirements and requests during investigations.²