

Prevailing Wage Compliance 2021

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Labor Statutes

- **Davis Bacon & Related Acts (DBRA)**
 - Applies to all Federal-aid construction projects over \$2,000
 - “Laborers or mechanics” must be paid at least the “prevailing wage” when working on the “site of work”
 - Requires workers to be paid weekly
 - Minimum wages incorporated into contract via wage determination
- **Fair Labor Standards Act (FLSA)**
 - Federal Minimum Wage: \$7.25 as of July 2009
 - Overtime requirements for covered non-exempt employees who work more than 40 hours per week for a covered employer or occupation
 - Requires employers maintain basic time and pay records

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Labor Statutes

- Contract Work Hours & Safety Standards Act (CWHSSA)
 - Applies to construction projects in excess of \$100,000
 - Requires all laborers and mechanics employed on covered contracts to be paid time and a half their basic rate of pay for hours worked in excess of 40 in a workweek
- Copeland “Anti-Kickback” Act (CA)
 - Applies to all DBRA contracts and prohibits “kickbacks” of wages
 - Regulates payroll deductions
 - Requires each certified payroll be accompanied by a statement of compliance.
 - Attaches legal penalty to the falsification of certified payroll reports

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MDOT Oversight Reminders

- The term “subcontractor” includes any company with which the prime contractor has entered into a contractual agreement to work on the project.
 - e.g. Pavement sweeping, flagging & concrete pumping
- The Prime Contractor is responsible to submit ALL weekly certified payrolls within a three week “grace period” from the time work is performed.
- Certified payroll must be entered into LCPtracker, certified, and approved by the prime to be considered “received” by the Department. (12SP-107G or 20SP-107D)

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