

Information on Adherence to the Federal Wage and Benefits Requirement for the Federal Aid Buyout Program

Dec. 4, 2025

As stated in PA 49, the reference to adherence to the federal wage and benefits:

Contracts between local road agencies and contractors for projects funded from state money exchanged for federal aid obligation authority must contain a federal wage and benefits schedule consistent with, and incorporating the requirements of, Section IV of Form FHWA 1273, revised May 1, 2012, or any successor form, and provide that covered workers are third-party beneficiaries of these contract requirements.

Form FHWA 1273 was revised on Oct. 23, 2023. More information can be found on the [FHWA website](#).

The Davis Bacon Act wage and benefits rates change throughout the year and are location-specific. The correct information must be downloaded within 10 days of the letting advertisement of your project. The information can be downloaded from the [US Department of Veteran Affairs website](#).

The requirements for documentation are complex and require a lot of person hours to review. Because of this, the Michigan Department of Transportation (MDOT) currently utilizes LCP tracker for all the federal aid-funded road projects that are let through local agency programs. MDOT has found it is less expensive to pay for the software than to do it manually.

For Federal Aid Buyout Program projects that will include contracted work administered locally, the County Road Association (CRA) of Michigan has initiated a process to establish a contracted service through a private company. CRA intends to secure a qualified company that is competent in the Davis Bacon wage and benefit program to assure local road agencies and contractors can continue to perform Davis Beacon wage and benefit compliance, similar to how MDOT performs this process on federal aid projects. CRA intends to establish a process to assist local agencies with providing the pre-bid special provision, current wage scales, agency registrations and contractor registrations.

CRA anticipates a statewide wage and benefit compliance process will be announced by June 2026; additional updates will be provided in the CRA Engineering Update. Please contact Steve Puuri, spuuri@micountyroads.org, for more information on wage and benefit compliance for your Federal Aid Buyout project.

If you require assistance accessing this information or require it in an alternative format, contact the Michigan Department of Transportation's (MDOT) Americans with Disabilities Act (ADA) coordinator at Michigan.gov/MDOT-ADA.