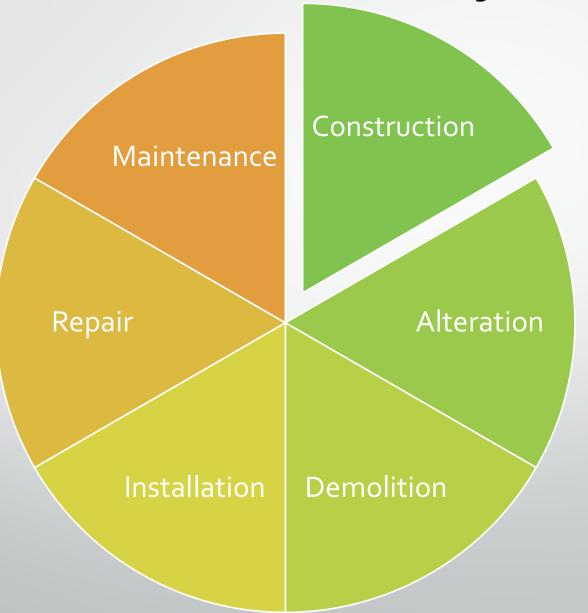


### Disclaimer

### California Labor Commissioner's Office

The following presentation is intended to summarize relevant portions of existing law in the Labor Code and California Code of Regulations, but those code sections, as interpreted by the courts, will govern actual enforcement. The information contained in this presentation is a general overview of existing law or regulation. Any opinions expressed are solely those of the author/speaker and are not necessarily the official position of the Department of Industrial Relations (DIR), its Director, or any related public entity. The information in this presentation is not intended as legal advice, and does not guarantee any outcome in specific enforcement or coverage proceedings within the jurisdiction of DIR.

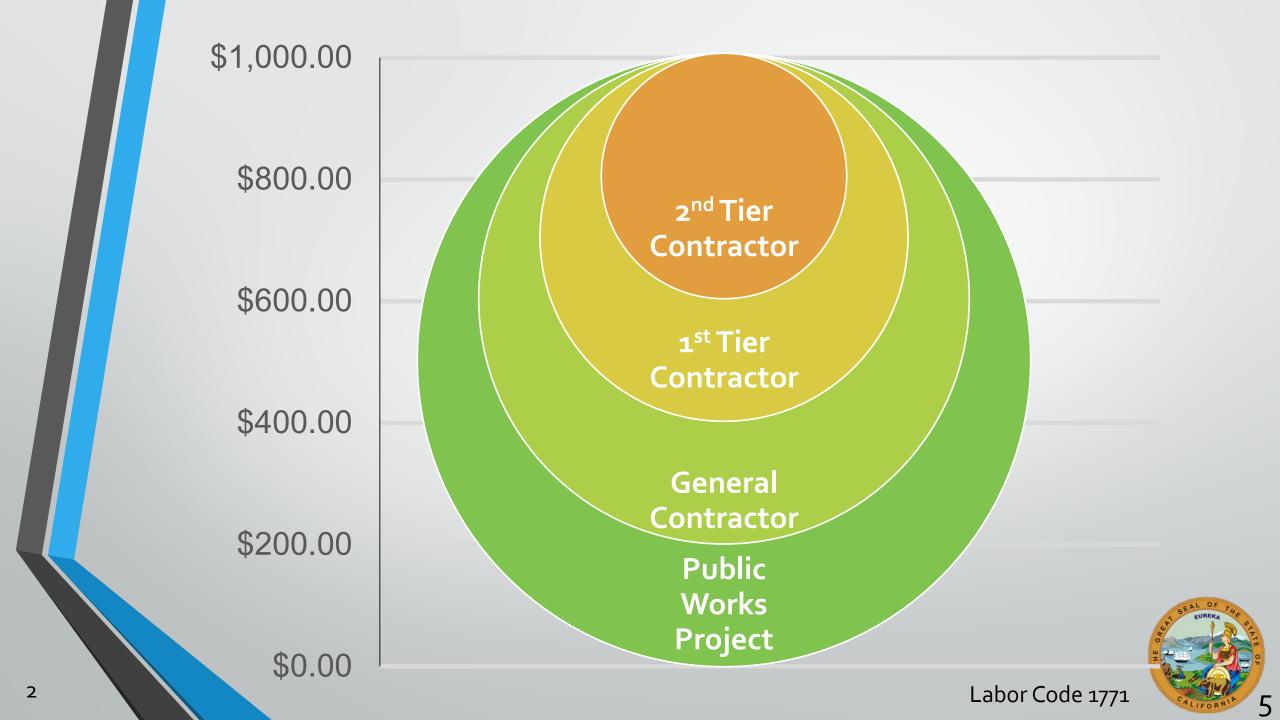
# Public Works Project



Prevailing wage requirements apply on public works projects exceeding what amount?

- **a)** \$1,000
- b) \$15,000
- **C)** \$25,000
- d) \$30,000



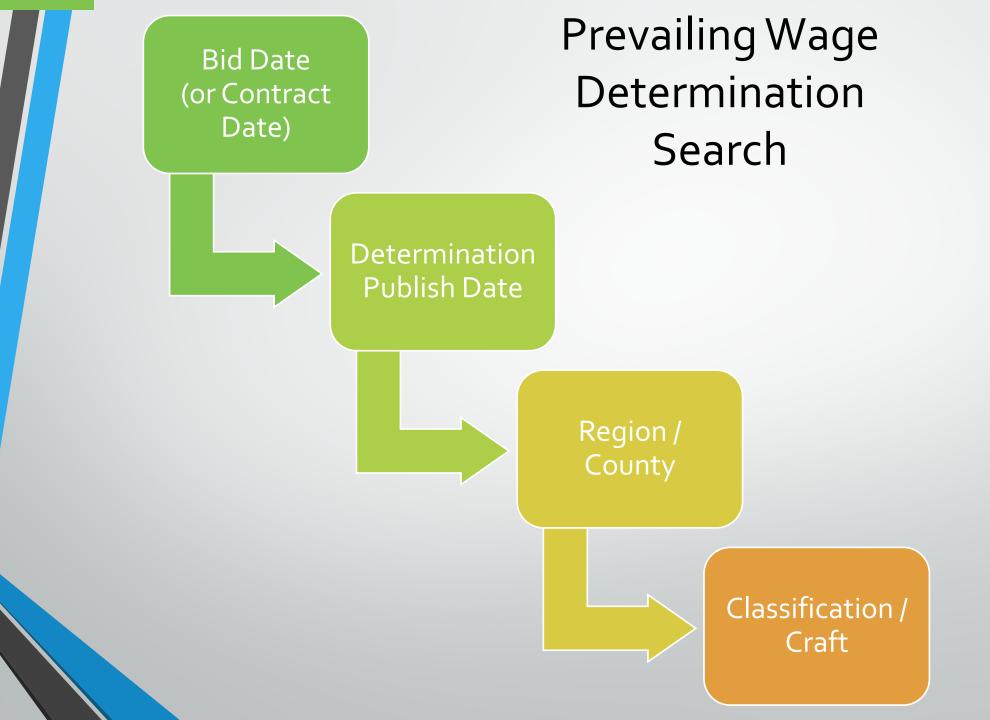


# Pay Prevailing Wages

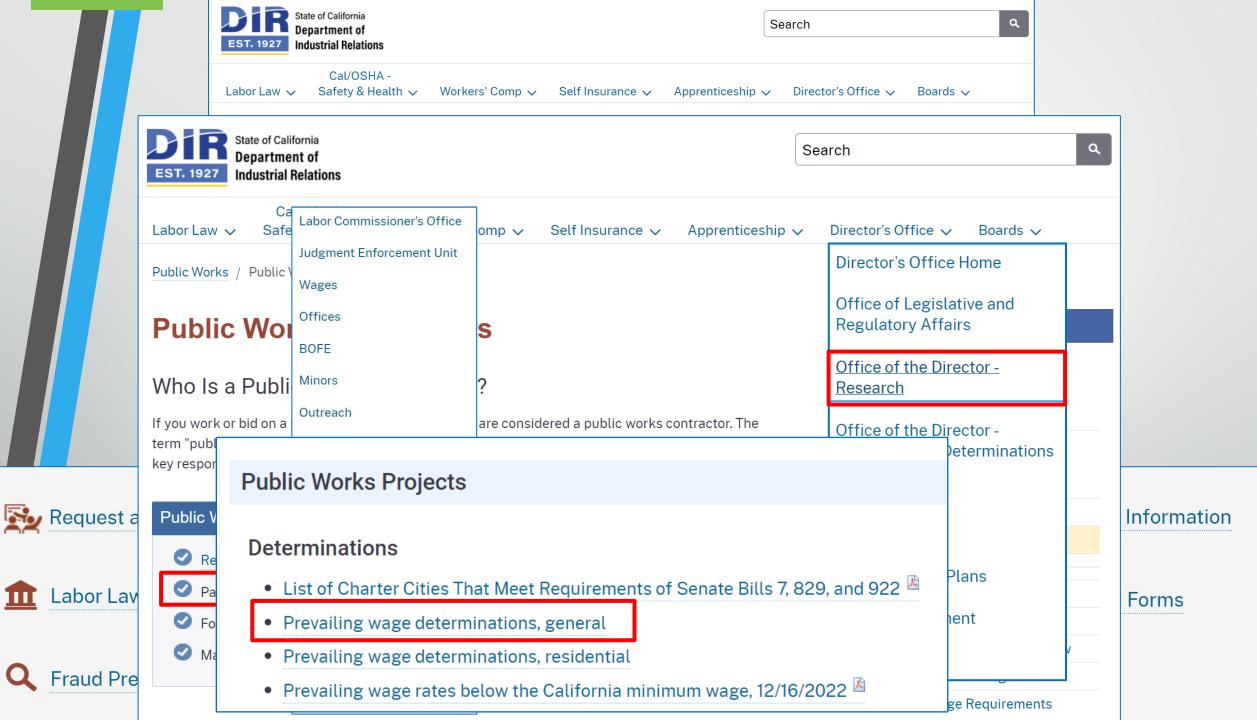


Labor Codes 1771, 1774 and 1813









# Navigating Website Wage Determination

Office of the Director / Director's General Prevailing Wage Determinations

# Director's General Prevailing Wage Determinations

- 2023-2 General prevailing wage determinations menu (journeyman)
- 2023-2 General prevailing wages rentice determinations menu

Most recent iourneyman war Adetermination published

Most recent apprentice wage Attermination published

Journeyman wage determinations published in prior periods

Residential wage determinations (current and prior periods)

- Frequently asked questions Hauling under Labor Code Section 1720.3
- Still have questions on prevailing wage?



# Navigating Website Wage Determination

### Superseded prevailing wage determinations

General prevailing wage determinations made by the Director of Industrial Relations

Pursuant to California Labor Code Part 7, Chapter 1, Article 2, Sections 1770, 1773, and 1773.1

Index: 2022-2 (Superseded)

Applies to projects advertised for bid: 9/1/2022 – 3/3/2023

General prevailing wage determinations
General prevailing apprentice schedules

Index: 2022-1 (Superseded)

Applies to projects advertised for bid: 3/4/2022 - 8/31/2022

General prevailing wage determinations
General prevailing apprentice schedules

Index: 2021-2 (Superseded)

Applies to projects advertised for bid: 9/1/2021 – 3/3/2022

General prevailing wage determinations
General prevailing apprentice schedules

Index: 2021-1 (Superseded)

Applies to projects advertised for bid: 3/4/2021 – 8/31/2021

General prevailing wage determinations
General prevailing apprentice schedules



### Issue Date Vs. Effective Date

Index	Wage Determination	Issue Date	Effective Date	For Projects Advertised Between*
2023-1	General	02/22/2023	03/04/2023	03/04/2023 and 08/30/2023
2023-2	General	08/22/2023	09/01/2023	09/01/2023 and 03/02/2024
2024-1	General	02/22/2024	03/03/2024	03/03/2023 and 08/30/2024
	Residential	12/01/2022	12/11/2022	12/11/2022 and 12/10/2023
	Residential	12/01/2023	12/11/2023	12/11/2023 and 12/10/2024



<sup>\*</sup>If project was not advertised, the contract date (a significant date) is used

## Journeyman Wage Determinations

# Index 2023-1 general prevailing wage journeyman determinations

General prevailing wage determinations made by the director of industrial relations

Pursuant to California Labor Code part 7, chapter 1, article 2, sections 1770, 1773, and 1773.1

The effective date of each determination is ten (10) days after the issue date. (8 CCR § 16000). The general determinations are issued twice a year (February 22nd and August 22nd) and go into effect ten days thereafter (March 3rd in a leap year and March 4th in a non-leap year for determinations issued on February 22nd, and September 1st for determinations issued on August 22nd).

To locate a particular journeyman craft or classification's prevailing wage determination, holiday, advisory scope of work, or travel and subsistence provision, please follow the six steps in the table below:

Step one	Statewide	First examine if your craft's determination is among the basic trades that apply to most counties in California.
Step two (A)	Northern California	If you have not found your craft in step one, check this area to see if your craft's determination is one of Northern California's basic trades.
Step two (B)	Southern California	If you have not found your craft in step one, check this area to see if your craft's determination is one of Southern California's basic trades.
Step three	San Diego	After following steps one and two (B), examine this area if your project is in San Diego County.
Step four	County Determinations (subtrades)	If you have not found your craft in steps 1, 2, or 3, choose the county where work is being performed to examine the subtrades.

## Index 2023-1 Statewide basic trade journeyman rates

General prevailing wage determinations made by the director of industrial relations

Pursuant to California Labor Code part 7, chapter 1, article 2, sections 1770, 1773, and 1773.1

Determination	Holidays, scope of work, travel & subsistence	Predetermined increase
Boilermaker-Blacksmith	Select One 🗸	No increase *
Driver (On/Off-Hauling To/From Construction Site)	Select One 🗸	Increase
Electrical Utility Lineman (a)	Select One ✓	Increase
Electrical Utility Lineman (b)	Select One ✓	No increase *
Electrical Utility Lineman (c)	Select One ✓	No increase *
Iron Worker	Select One ✓	Increase
Metal Roofing +	Select One ✓	Increase
Stator Rewinder	Select One ✓	No increase *
Telecommunications Technician	Select One ✓	Increase
Telecommunications Technician (d)	Select One ✓	Increase
Tree Trimmer (High Voltage Line Clearance)	Select One ✓	Increase
Tree Trimmer (High Voltage Line Clearance) (b)	Select One ✓	No increase *
Operating Engineer (neavy and nighway work)	Select One Y	merease
Operating Engineer (Building Construction) +	Select One 🗸	Increase



Scope, Holiday, Travel, Increases

### **COUNTY**

Holidays, scope of work, travel & Predetermined Determination subsistence increase Select One > Blacksmith No increase \* Select One -Hauling To/From Increase Site) **Holidays** Scope

Travel

County increase

Alameda Increase

Alpine Increase

**REGION** 

#BRICKLAYER,
BLOCKLAYER:
BLOCKLAYER:
STONEMASON

HOLIDAY PROVISIONS	SCOPE OF WORK PROVISIONS	TRAVEL & SUBSISTENCE PROVISIONS
<u>Holidays</u>	Scope of Work	<u>Travel &amp;</u> Subsistence

2

# Work Classification Overlap (Incidental Work)

Craft 1 1 Craft 2

Required to or Required to use Craft 1 2 use Craft 2



# Wage Determination Examined

GENERAL PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773 AND 1773.1 FOR COMMERCIAL BUILDING, HIGHWAY, HEAVY CONSTRUCTION AND DREDGING PROJECTS

Craft: Drywall Installer/Lather (Carpenter)#

#### **Determination:**

### **Issue Date:**

August 22, 2022

### **Effective Date:**

September 1, 2022

#### n

aid for work performed after this date has been determined. If work will extend past this date, the new rate rporated in contracts entered into now. Contact the Office of the Director - Research Unit for specific rates at

All localities within Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Luis Obispo, Santa Barbara and Ventura counties.

### Wages and Employer Payments:

	Basic	Health	Pension	Vacation	Training	Other	Hours	Total	Daily	Saturday	Sunday/
	Hourly	and		and		b		Hourly	Overtime	Overtime	Holiday
Classification	Rate	Welfare		Holiday				Rate	Hourly	Hourly	Overtime
(Journeyperson)				а					Rate	Rate	Hourly
									(1 ½ X) <sup>c</sup>	(1 ½ X) <sup>c</sup>	Rate
											(2 X)
Drywall Installer/Lather	\$47.24	\$8.00	\$5.66	\$7.31	\$0.67	\$2.77	8.0	\$71.65	\$95.27	\$95.27	\$118.89



The double asterisk (\*\*) next to the expiration date on a wage determination signals:

- a) The craft is apprenticeable
- b) The project is exempt from apprenticeship requirements
- C) No further rate changes ahead
- d) An upcoming predetermined increase



# Wage Determination Examined

GENERAL PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773 AND 1773.1 FOR COMMERCIAL BUILDING, HIGHWAY, HEAVY CONSTRUCTION AND DREDGING PROJECTS

Craft: Drywall Installer/Lather (Carpenter)#

**Determination:** 

SC-31-X-41-2022-1

**Issue Date:** 

August 22, 2022

**Expiration date of determination:** 

June 30, 2023\*\*

k performed after this date has been determined. If work will extend past this date, the new rate contracts entered into now. Contact the Office of the Director - Research Unit for specific rates at

<del>(+10) 100-+11+</del>

### Localities:

All localities within Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Luis Obispo, Santa Barbara and Ventura counties.

Wages and Employer Payments:

wages and Employer rayments.											
	Basic	Health	Pension	Vacation	Training	Other	Hours	Total	Daily	Saturday	Sunday/
	Hourly	and		and		b		Hourly	Overtime	Overtime	Holiday
Classification	Rate	Welfare		Holiday				Rate	Hourly	Hourly	Overtime
(Journeyperson)				а					Rate	Rate	Hourly
									(1 ½ X) <sup>c</sup>	(1 ½ X) <sup>c</sup>	Rate
											(2 X)
Drywall Installer/Lather	\$47.24	\$8.00	\$5.66	\$7.31	\$0.67	\$2.77	8.0	\$71.65	\$95.27	\$95.27	\$118.89



Given the information below, which one of the following options **do not** result in an underpayment of basic hourly wages?

Basic Hourly Rate	\$50
Employer Payments (excluding training funds)	\$20

- a) Pay the worker \$60 per hour and contribute \$10 per hour in the form of fringe benefits
- D) Pay the worker \$50 per hour and contribute \$10 per hour in the form of fringe benefits
- C) Pay the worker \$40 per hour and contribute \$30 per hour in the form of fringe benefits

Only union contractors are required to pay the employer payment (fringe benefits) portion of the prevailing wage rate:

- a) True
- b) False



# Wage Determination Examined

GENERAL PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773 AND 1773.1 FOR COMMERCIAL BUILDING, HIGHWAY, HEAVY CONSTRUCTION AND DREDGING PROJECTS

Craft: Drywall Installer/Lather (Carpenter)#

#### **Determination:**

SC-31-X-41-2022-1

#### **Issue Date:**

August 22, 2022

### **Expiration date of determination:**

June 30, 2023\*\* The rate to be paid for work performed after this date has been determined. If work will extend past this date, the new rate must be paid and should be incorporated in contracts entered into now. Contact the Office of the Director - Research Unit for specific rates at (415) 703-4774.

#### Localities:

All localities within Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Luis Obispo, Santa Barbara and Ventura counties.

Wages and Employer Payment	Basi	Health	Pension	Vacation	<del>Training</del>	Other	
	Hour	and		and		b	Daily
Classification (Journeyperson)	Rate	Welfare		Holiday <sup>a</sup>			Overtime Hourly Rate (1 ½ X) °
Drywall Installer/Lather	Φ 4 7 C	<u>ФО ОО</u>	ФE 00	Ф <b>7</b> 04		<b>ФО 77</b>	\$95.27
	\$47.2	\$8.00	\$5.66	\$7.31	<del>\$0.67</del>	\$2.77	



Rate (2 X)

Saturday

Overtime

Hourly

Rate

(1 ½ X) <sup>c</sup>

\$95.27

# Basic Hourly Rates

**Wages and Employer Payments:** 

	Basic	Health	Pension	Vacation	Training	Other	Hours	Total	Daily	Saturday	Sunday/
	Hourly	and		and		b		Hourly	Overtime	Overtime	Holiday
Classification	Rate	Welfare		Holiday				Rate	Hourly	Hourly	Overtime
(Journeyperson)				а					Rate	Rate	Hourly
									(1 ½ X) <sup>c</sup>	(1 ½ X) <sup>c</sup>	Rate
											(2 X)
Drywall Installer/Lather	\$47.24	\$8.00	\$5.66	\$7.31	\$0.67	\$2.77	8.0	\$71.65	\$95.27	\$95.27	\$118.89

Basic Hourly Rate		Basic Hourly Rates	Employer Payments		
47.24		47.24	+ 24.41 =	71.65	Total Hourly Rate
47.24	X 1.5 =	70.86	+ 24.41 =	95.27	Daily Overtime Hourly Rate (1 ½ X) Saturday Overtime Hourly Rate (1 ½ X)
47.24	X 2.0 =	94.48	+ 24.41 =	118.89	Sunday / Holiday Overtime Hourly Rate (2 X)

$$24.41 = 8.00 + 5.66 + 7.31 + 0.67 + 2.77$$

There is a predetermined increase of \$3.25 to be allocated to wages and/or employer payments. For work that continues past the expiration date, you should:

- a) Pay an additional \$3.25 per hour in basic wages
- b) Pay an additional \$3.25 per hour in fringe benefits
- C) Pay an additional \$3.25 per hour in training funds
- d) Contact the Office of the Director Research Unit at statistics@dir.ca.gov and request the breakdown of the predetermined increase



### Predetermined Increase

### DRYWALL INSTALLER/LATHER (CARPENTER)

Determination SC-31-X-41-2022-1 is currently in effect and expires on June 30, 2023\*\*.

Effective July 1, 2023, there will be a \$3.25 increase to be allocated to wages and/or employer payments.

Effective July 1, 2024, there will be a \$3.25 increase to be allocated to wages and/or employer payments.

Effective July 1, 2025, there will be a \$3.50 increase to be allocated to wages and/or employer payments.

There will be no further increases applicable to this determination.

Issued 8/22/2022, Effective 9/1/2022 until superseded.

This page will be updated when wage rate breakdown becomes available.

Last Updated: September 1, 2022



### Predetermined Increase

### DRYWALL INSTALLER/LATHER (CARPENTER)

Determination SC-31-X-41-2022-1 is currently in effect and expires on June 30, 2023\*\*.

Effective July 1, 2023, there will be a \$3.25 increase to be allocated as follows: \$1.62 to Basic Hourly Rate, \$0.25 to Health & Welfare, \$0.25 to Pension, \$0.08 to Vacation/ Holiday, \$0.05 to Training and \$1.00 to Other Payments.

Effective July 1, 2024, there will be a \$3.25 increase to be allocated to wages and/or employer payments.

Effective July 1, 2025, there will be a \$3.50 increase to be allocated to wages and/or employer payments.

There will be no further increases applicable to this determination.

Issued 8/22/2022, Effective 9/1/2022 until superseded. This page will be updated when wage rate breakdown becomes available. Last Updated: June 23, 2023



### Office of the Director – Research Unit

Our staff is working remotely and is available to take public inquiries – please see the Contact Us page for information on how to reach us.

For Prevailing Wage questions, please send your inquiry.

Statistics@dir.ca.gov rovide the following information with your inquiry.

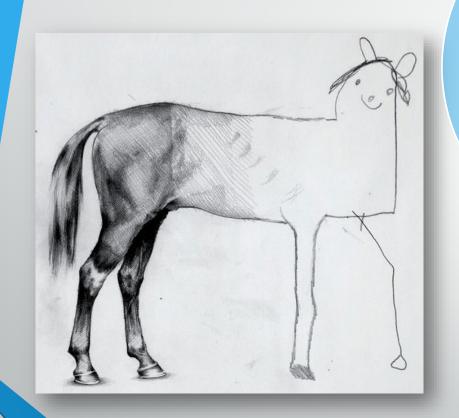
- Your name
- Company or agency name
- Email address
- A summary of your question(s)
- Bid Advertisement Date
- Craft(s)/Classification(s)
- County Location of the Project



Which of the following should you do in order to comply with the requirements of a Labor Code 1776 request for certified payroll records?

- a) Ensure the payroll records are certified under penalty of perjury
- b) Ensure the payroll records include at least the same information identified in the DLSE Sample Payroll Reporting Form (A-1-131)
- C) Ensure the payroll records are submitted within ten (10) calendar days from receipt of request
- d) All of the above

## Maintain and Furnish Payroll Records



eCPR **CPR** (Online Form) 10 days 30 days >1,000 >15,000 M >25,000 CADIR eCPR (XML file) 30 days >15,000 M >25,000 CADIR

# Form A-1-131

### NOTICE TO PUBLIC ENTITY

### **For Privacy Considerations**

Fold back along dotted line prior to copying	g for release to general public (private persons).
--	--

(Paper Size then	8-1/2 x	11	inches)	

Ι,	, the undersigned, am the
I,(Name – print)	
	with the authority to act for and on behalf of
(Position in business)	
	antify under manalty of manipur.
(Name of business and/or contractor)	, certify under penalty of perjury
nat the records or copies thereof submitted a	and consisting of
-	(Description, number of pages)
re the originals or true, full, and correct cop	pies of the originals which depict the payroll record(s
f the actual disbursements by way of cash,	check, or whatever form to the individual or
ndividuals named.	
Inte:	Signatura



# Form A-1-131

	   	ل	=	P	Californi Departme Industria		3		PU	BLIC	C W	ORKS	PAYRO	LL RE	PORTI	NG FC	ORM			Page _	of	
		NAME OF CONTRAC						CONTRACTOR'S LICENSE NO.:  ADDRESS:  SPECIALITY LICENSE NO.:														
		PAYROLL NO.:				FOR	WEEK E	NDIN	G:			SELF-INSUI	RED CERTIFICA	ATE NO.:			PROJ	ECT OR CON	TRACT NO.:			
		1	(4)			DAY			(5)	(0	(6)	WORKERS'	COMPENSATIO	ON POLICY NO	N:		PROJ	ECT AND LO	CATION:			
(1)	(2)	(3)		М	T W	TH	F	s s	S				(7)				(8)				(9)	
NAME, ADDRESS AND SOCIAL SECURITY NUMBER OF EMPLOYEE	NO. OF WITH- HOLDING EXEMPTIONS	WORK CLASSIFICATION			HOURS V	DATI VORKED		DAY	TOTA Hour		JRLY ATE PAY		AMOUNT RNED		DEDUCT	TONS, CONT	TRIBUTION	IS AND PAYM	MENTS		NET WGS PAID FOR WEEK	CHECK NO.
		 	S									THIS PROJECT	ALL PROJECTS	FED. TAX	FICA (SOC. SEC.)	STATE TAX	SDI	VAC/ HOLIDAY	HEALTH & WELF.	PENSION		
		! ! !	0											TRAING.	FUND ADMIN	DUES	TRAV/ SUBS.	SAVINGS	OTHER*	TOTAL DEDUC- TIONS		

Form A-1-131 (New 2-80)

S = STRAIGHT TIME O = OVERTIME SDI = STATE DISABILITY INSURANCE \*OTHER – Any other deductions, contributions and/or payments whether or not included or required by prevailing wage determinations must be separately listed. Use extra sheet(s) if necessary

CERTIFICATION <u>MUST</u> be completed (See reverse side)



### eCPR (XML File)

### **Public Works Certified Payroll Reporting Form**

#### Certification under penalty of perjury: , the undersigned, am the (position in business) with the authority to act for and on behalf of (name of business and/or contractor), certify under penalty of perjury that the records or copies thereof submitted and consisting of certified payroll records for the week ending are the originals of copies of the originals which depict the payroll record(s) of the actual disbursements by way of cash, check, or whatever form to the individual or individuals named. I certify this on are the originals or true, full, and correct **Contractor Name: Contractor PWCR:** License Type: License Number FEIN: **Contractor Email:** Address: Insurance Number: **Awarding Body: DIR Project ID: Project Name: Contract With:** County: Address: Is this a 'Statement of Non-Performance?' Payroll Number: For Week Ending: Dav **Deductions. Contributions. and Payments** Number of Name, Address and **Social Security Number of Worker** Withholding Mon Tue Wed Thu Fri Sat Sun Federal State **Gross Amount** Vac/ Health Net FICA Pension Earned Tax Tax Holiday & Welf. Date Wage Total Hourly Check Hours Pay Rate Paid For Number Work This Week Classification Project **Projects** Hours Worked Each Day S Fund Trav/ Total Training Dues Other Savings Admin Subs Deduct 0 NOTE:



# eCPR (Online Form)

### **Public Works Certified Payroll Reporting Form**

Certification under penalty of perjury:			
"I, , the undersigned, am the under penalty of perjury that the records or copies which depict the payroll record(s) of the actual disk	(position in business) with the authoreof submitted and consisting of certifications by way of cash, check, or what	ed payroll records for the week enging	(name of business and/or contractor), certify are the originals or true. full, and correct copies of the originals certify this on ."
Contractor Name:	Contractor PWCR:	License Type: Lice	nse Number
Address:	FEIN:	Contractor Email:	
Insurance Number:			
Awarding Body:	DIR Project ID:	Project Name:	
Contract With:	County:	Address:	
Payroll #: Ctr Payroll #:	Week Ending:	Statement of	Non-Performance? Final payroll for this project?
Employee:			
SSN:	Mon Tue Wed Thu Fri 08/10 08/11 08/12 08/13 08/1	Base Hourly	Vac/ Health Total Holiday & Welf. Pension Other Training Hourly Rate
		4 08/15 08/16 Hours Base Houry Fringe	
S		4 08/15 08/16 Hours Filinge	



I am a subcontractor performing work in an apprenticeable craft. The project cost is over \$1,000, however, since the general contract is under \$30,000 I am not required to make training fund contributions.

- a) True
- b) False



# Wage Determination Examined

GENERAL PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773 AND 1773.1 FOR COMMERCIAL BUILDING, HIGHWAY, HEAVY CONSTRUCTION AND DREDGING PROJECTS

Craft: Drywall Installer/Lather (Carpenter)#

#### **Determination:**

SC-31-X-41-2022-1

#### **Issue Date:**

August 22, 2022

### **Expiration date of determination:**

June 30, 2023\*\* The rate to be paid for work performed after this date has been determined. If work will extend past this date, the new rate must be paid and should be incorporated in contracts entered into now. Contact the Office of the Director - Research Unit for specific rates at (415) 703-4774.

#### Localities:

All localities within Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Luis Obispo, Santa Barbara and Ventura counties.

Training |

\$0.67

Wages and Employer Payments:							
	Basic	Health	Pension	Vacatio			
	Hourly	and		and			
Classification	Rate	Welfare		Holiday			
(Journeyperson)				а			
Drywall Installer/Lather	\$47.24	\$8.00	\$5.66	\$7.31			

ther	Hours	Total	Daily	Saturday	Sunday/
b		Hourly	Overtime	Overtime	Holiday
		Rate	Hourly	Hourly	Overtime
			Rate	Rate	Hourly
			(1 ½ X) <sup>c</sup>	(1 ½ X) <sup>c</sup>	Rate
					(2 X)
2.77	8.0	\$71.65	\$95.27	\$95.27	\$118.89

### CAC - Public works Training Fund Search

**Training Fund Search** 

This search function allows awarding agencies, labor and contract compliance organizations, contractors, and other interested parties to view and print a specific contractor's Training Fund contribution paid to the California Apprenticeship Council for the previous 48 months. The payment of the training funds is regulated by California Labor Code 1777.5(m)(1)

Please enter the contractor's license number to begin search.

If you do not know the contractor's license number you may search for it at this site: www.cslb.ca.gov

For employers without a Contractor's license you may look up the id number that was assigned

### 987654

Don't see your recent training fu ontribution in the payment history?

Possible reasons:

1) Wrong Remit address, our current remit address is as follows:

Department of Industrial Relations

California Apprenticeship Council

P.O. Box 511283

Los Angeles, CA 90051-7838



### **CALIFORNIA APPRENTICESHIP COUNCIL**

P.O. Box 420603 San Francisco, CA 94142-0603 (415) 703-4920



Re: Training Fund Contribution Inquiry for:

ACME, Inc. Lic.# 987654

9876 Ocean Blvd

Long Beach, CA 90802

To whom it may concern:

The California Apprenticeship Council hereby certifies that, according to transactions recorded as of August 25, 2019, the training fund contributions shown below have been received from the contractor above during the last four years. The contributions are sorted by County, Check date, Project and Occupation.

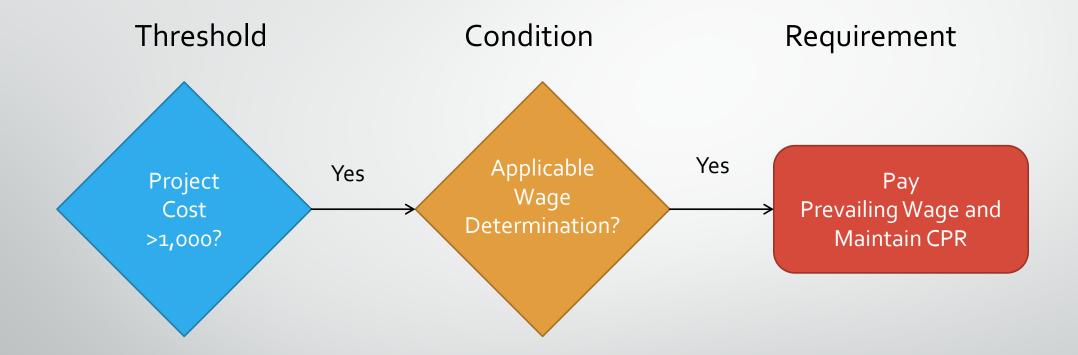
County Project	Occupation	Check date	Amount in \$
Los Angeles	Cement Masons	04/05/2017	97.92
SP-98765 Los Angeles SP-98765	Laborers	04/05/2017	142.14

If you have any questions please contact the Division of Apprenticeship Standards. <a href="mailto:trainingfund@dir.ca.gov">trainingfund@dir.ca.gov</a>

Glen Forman

for the Secretary, California Apprenticeship Council







# Contractor Responsibilities

Prevailing Wage UnderPayments

Untimely Certified Payroll Submission

≤\$200 Per Calendar Day of Noncompliance Per Worker

\$100 Per Worker per Day



DEPARTMENT OF INDUSTRIAL RELATIONS Division of Labor Standards Enforcement

Headquarters Office
1515 Clay Street, Ste. 1302
Oakland, CA 94612
Tel: (510) 285-2118 Fax: (510) 285-1365



#### Lilia García-Brower

California Labor Commissioner

October 28, 2022

Sent Only Via E-Mail

#### Contractors' Responsibilities, Statutory Obligations

Re : Successful Bidding and Work on California Public Works Projects

Dear Contractor,

1

The State Labor Commissioner's Office (LCO) is mandated under law to ensure compliance with Public Works Laws (PWL). This letter seeks to inform and ensure potential and successful contractors understand the legal requirements and potential consequences when bidding or working on a project under California's PWL. (*Lab. Code* §§ 1720 – 1861.) For all projects requiring payment of prevailing wages, all contractors must:

- Register as a public works contractor with the Department of Industrial Relations (DIR) and remit an application fee. (Lab. Code § 1725.5(a).)
- Pay prevailing wages to all workers employed on public works projects. (Lab. Code §§ 1770, 1771.)
- Follow apprenticeship standards, more information found here. (*Lab. Code* § 1777.5.)
- For certain projects, comply with California's Skilled and Trained Workforce Requirements. (*Pub. Contract Code* §§ 2600-2603.)
- Maintain and properly submit certified payroll records. More information can be found <a href="here">here</a>. (Lab. Code §§ 1771.4, 1776.)

Failing to register as a public works contractor can subject a contractor to civil penalties, accruing at \$100.00 for each day of violation, not to exceed \$8,000.00. A higher tiered public works contractor who contracts with an unregistered lower tier subcontractor is subject to a civil penalty of \$100.00 for each day of violation, not to exceed \$10,000.00. (*Lab. Code* § 1771.1(g), (h).)

A contractor's failure to pay prevailing wage may lead to costly consequences. Recently, a contractor was found liable for \$1.3 million in kickbacks and wage theft by its crew leader, covering 27 workers. The LCO

<sup>1</sup> A contractor is any person or company who bids or contracts to work on a public works job. A contractor includes a subcontractor and owner/operator. (*Lab. Code* § 1722.1.)

also recovered **\$2.6 million** in wages on behalf of 120 workers from the surety and awarding body in another enforcement action. Those violations involved kickbacks and failing to report all workers on the certified payroll. A third contractor recently was fined **\$200,000** for not paying overtime on a public works project.

With some exceptions, all public works contracts valued at \$30,000 or more carry a duty to hire apprentices. This duty applies to all contractors and subcontractors on a project, even if their part of the project totals less than \$30,000. Contractors who fail to follow apprenticeship standards are liable for civil penalties of up to \$300 for each full calendar day of noncompliance.

Recent changes to the *Public Contract Code* require employment of a Skilled and Trained Workforce (STW) on certain projects. With few exceptions, all workers employed on STW projects must be skilled journeypersons or registered appentices; and 30-60% of all skilled journeypersons must be graduates of an apprenticeship program. Contractors and subcontractors who violate STW rules can face civil penalties of up to \$10,000 per month of work performed and debarment. More information on STW may be found <a href="https://example.com/here-new-maps-red

Contractors must submit certified payroll records to the LCO using DIR's electronic certified payroll system. If not submitted, penalties accrue of \$100 per day, limited to \$5,000 per project. Submission of eCPRs is a separate and distinct reporting requirement from the statutorily required maintance of certified payroll records.

In addition, contractors who fail to timely submit certified payroll records following a written request of the LCO are subject to a different and additional penalty of \$100 per worker per day.

A contractor's failure to adhere to these requirements compromises the important goals of the PWL, the state, its workers and employers. A contractor who willfully ignores these requirements may be subject to debarment from bidding or working on public works projects. (*Lab. Code* § 1777.1.)

Please refer to the <u>FAQs</u> on our website for more information regarding PWL requirements. Contact our Public Works Unit at <u>publicworks@dir.ca.gov</u> if you have questions regarding your obligations when awarded a project subject to PWL. For general information on the laws enforced by the LCO you may call 833-LCO-INFO (833-526-4636).

My office is committed to promoting compliance with workplace protections for vulnerable workers, which also levels the playing field and supports law-abiding contractors. We hope to continue in strong partnership with your company toward these worthy goals.

Sincerely,

B

Lilia García-Brower California Labor Commissioner

# Thank you for attending!

# General questions or system issues? Labor Commissioner's Office - publicworks@dir.ca.gov

- System issues? Provide screenshots and contact information for user experiencing the issues
- Identify the system in the subject line.
  - **PWCR** (Public Works Contractor Registration)
  - eCPR (Electronic Certified Payroll Reporting
  - **PWC-100** (Project Registration)

The work I am engaged in requires prevailing wages, what is the applicable craft? Office of the Director – Research Unit - statistics@dir.ca.gov

Request a wage determination. Provide county, bid date, and scope of work

Is my specific project a public work? The work I am engaged in is innovative and not found in any scope of work provision, am I required to pay prevailing wages?

Office of the Director – Legal Unit - pwcoverage@dir.ca.gov

Request a coverage determination. Provide as much documentation as possible (contract, funding source, lease information, scope of work, etc.)

