## PREVAILING WAGE/LABOR COMPLIANCE WEBINAR

Thursday • June 6, 2024 • 8:00 a.m. - 3:00 p.m.

## Time

Item
Speaker(s)

| 8:00 AM - 8:15 AM | Welcome and Opening Remarks | Jesse Jimenez |
| :--- | :--- | :--- |
| 8:15 AM - 9:15 AM | Davis-Bacon Compliance Principles - Federal <br> Requirements - U.S. Department of Labor | Santiago Orona |
| 9:15 AM - 10:15 AM | Labor Commissioner's Office - Legal Updates | Evan Adams |
| 10:15 AM - 10:30 AM | Break |  |
| 10:30 AM - 10:45 AM | Department of Industrial Relations <br> O Labor Enforcement Task Force <br> PW Strategic Enforcement Presentation | Dominic Forrest |
| 10:45 AM - 11:15 AM | Office of the Director - Legal | Upcoming Bills/Legislation |

# Prevailing Wage/Labor Compliance Webinar 

## Welcome!

Getting started...

## Refer to your Confirmation Email for:

- Handout Location
https://www.ffccalifornia.com/registration-handouts
- Troubleshooting Zoom
- Call-In Telephone Numbers/Meeting Codes



## A Few Final Reminders...

- Breakout Rooms require the latest version of Zoom.
- The webinar may be recorded, but it is utilized for staff training purposes only.
- Resources and contact information will be provided in an email following the event.
- Please fill out the Evaluation/Survey.


## Thank You for Joining the Webinar




## Davis-Bacon and Related Acts Final Rule Provisions

Revisions to 29 CFR Parts 1, 3, and 5

## Disclaimer

This presentation is intended as general information only and does not carry the force of legal opinion.

The Department of Labor is providing this information as a public service. This information and related materials are presented to give the public access to information on Department of Labor programs. You should be aware that, while we try to keep the information timely and accurate, there will often be a delay between official publications of the materials and the modification of these pages. Therefore, we make no express or implied guarantees. The Federal Register and the Code of Federal Regulations remain the official source for regulatory information published by the Department of Labor. We will make every effort to keep this information current and to correct errors brought to our attention.


## Davis-Bacon Act Coverage

- Applies to contracts in excess of $\$ 2,000$ to which the Federal Government or the District of Columbia is a party for construction, alteration, and/or repair, including painting and decorating, of public buildings or public works.


## Davis-Bacon Related Acts

- Davis-Bacon (DB) requirements extended to numerous "Related Acts" that provide federal assistance by, for example
- Grants
- Loans
- Loan guarantees
- Insurance


## Overview of Major Changes

- Determining applicable prevailing wage rates
- Coverage
- Incorporation of contract clauses and wage determinations
- Payment of prevailing wages
- Recordkeeping
- Anti-Retaliation
- Enforcement mechanisms


## Important Dates

- Effective Date - October 23, 2023
- Applicability Dates
- Part 1 provisions relating to wage determination methodologies apply to wage determinations completed and published after October 23, 2023
- 29 CFR 1.6(c)(2)(iii) provisions relating to updating wage determinations after contract award apply to new and existing contracts as of October 23, 2023
- All other provisions apply to contracts awarded after October 23, 2023

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## Definition of Prevailing Wage Rate

- Wage paid to the majority (at least $50 \%$ ),
- If the majority wage is not paid, then prevailing wage will be the wage paid to the greatest number, provided at least $30 \%$, or
- If no wage rate is paid to $30 \%$, the prevailing wage will be the average.


## Functionally Equivalent Rates

- Variable wage rates paid by contractor(s) may be treated as the same wage rate where the rates are functionally equivalent, as explained by:
- One or more collective bargaining agreements or
- Written policies maintained by contractor(s)


## Scope of Consideration - Area

- The area from which wage data will be drawn will typically be the county
- If data is insufficient at the county level, data from groups of counties can be used to determine craft sufficiency in the following progression:
- Surrounding counties may be considered
- Comparable counties or groups of counties may be considered
- All counties statewide may be considered


## Updating Wage Determinations in Revised Contracts

- After contract award, the contracting agency must include the most recent applicable wage determination modification(s) when:
- a contract or order is changed to include additional and substantial work not within the scope of work of the original contract, or to require the contractor to perform work for an additional time period.
- an option to extend the term of a contract is exercised.


## Updating Wage Determinations in Ongoing Contracts

- Where contracts require a general commitment to perform necessary construction as the need arises, over a period of time that is not tied to the completion of any particular project, the contracting agency must incorporate the most recent applicable wage determination modification(s) on each anniversary date of the contract's award.


## Periodic Rate Adjustments

- Adjustments to non-collectively bargained prevailing wage and fringe benefit rates on general wage determinations based on U.S. Bureau of Labor Statistics Employment Cost Index (ECI) data or its successor data.
- Such rates may be adjusted based on ECI data no more frequently than once every 3 years, and no sooner than 3 years after the date of the rate's publication.
- WHD will issue modifications to general wage determinations with such adjusted rates.

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## Site of the Work - Secondary Sites

- Any site where a significant portion of a building or work is constructed for specific use in that building or work, as long as the site is either:
- established specifically for the performance of the contract or project, or
- is dedicated exclusively, or nearly so, to the performance of the contract or project for a specific period of time.


## Site of the Work - Flaggers

- Workers engaged in traffic control and related activities adjacent or virtually adjacent to the primary construction site are working on the site of the work.


## Site of the Work - Drivers

- Drivers who work for construction contractors are covered for any non de minimis time when their work requires them to come on and offsite.


## Material Suppliers Exception

- Exception applies if:
- The firm's only obligation is to deliver supplies or equipment, and
- Its facilities are not located on the project's primary or secondary construction site, and
- were either established before opening of bids or contract award, or
- are not dedicated exclusively, or nearly so, to the performance of the contract.


## Portion of a Building or Work

- Building or work includes not only construction involving an entire building, structure, or improvement, but also construction activity involving just a portion of a building, structure, or improvement, including the installation of equipment or components.


## Public Building Or Public Work

- Construction of a portion of a building or work carried on directly by authority of or with funds of a Federal agency to serve the interest of the general public is still considered a public building or public work, even when the entire building or work would not be considered a public building or work.


## Prime Contractor

- Prime contractor is broadly defined as any person or entity that enters into a covered contract with an agency, including nonprofit organizations, owners/developers, borrowers or recipients, project managers, or single-purpose entities.
- Prime contractor also includes the controlling shareholder or member of any entity holding a prime contract, the joint venturers or partners in any entity holding a prime contract, and any contractor that has been delegated the responsibility for overseeing all or substantially all of the construction anticipated by the prime contract.


## Other Coverage Provisions

- Demolition
- Green energy projects
- Survey crews

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## Incorporation by Reference

- Contract clauses and wage determinations are equally effective if they are incorporated by reference, although agencies are still required to insert the contract clauses in full for any contract not subject to the FAR.


## Clauses Included by Operation of Law

- Regardless if the contracting agency fails to incorporate the contract clauses and wage determination(s) into a prime contract, the clauses and wage determination(s) will still be considered part of that contract and will be effective as a matter of law.
- Where the clauses and applicable wage determinations are effective by operation of law, contracting agencies must compensate the prime contractor for any increase in wages in accordance with applicable law.


## Flow-Down of Clauses - Prime Contractors

- Prime contractors are responsible for flowing down both the contract clauses and the applicable wage determinations to their subcontracts.
- The prime contractor must cover any unpaid wages or other liability for any subcontractor violations.
- Prime contractors may be debarred for disregarding their obligations.


## Flow-Down - Upper Tier Contractors

- Upper-tier subcontractors may also be held liable for back wages owed to the workers.
- Upper-tier subcontractors may also be debarred for disregarding their obligations.


## Payment of Prevailing Wages


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## Apprentices

- The required ratio and rates have changed when a contractor is working in a locality other than the locality in which its apprentices' program(s) is registered.
- The ratios and wage rates applicable in the approved apprenticeship program for the locality in which the construction is being performed will apply.
- If there is no approved program in the locality, the ratio and wage rate specified in the contractor's registered program must be observed.


## Annualization

- The annualization requirement is now included in the regulations.
- An exception will be granted for benefits that are not continuous in nature and do not compensate both private and DBRA-covered work.
- Defined contribution pension plans are not required to seek an exception if they meet the required criteria and provide for immediate participation and essentially immediate vesting.


## Administrative Fees

- A contractor may take credit for payments made to third parties for costs that are directly related to the administration and delivery of bona fide fringe benefits.
- A contractor cannot take credit for its own administrative expenses incurred in connection with the provision of fringe benefits, even when the contractor pays another entity to perform such tasks in whole or in part.



## Basic Records Requirements

- Contractors must now maintain workers' last known phone numbers and email addresses as part of their required records.
- Contractors are also required to maintain contracts, subcontracts, and related documents.


## Length of Record Retentions

- All required records must be maintained for at least 3 years after all work on the prime contract has been completed.
- This requirement also applies to subcontractors, even though the subcontractor's work may be finished prior to the completion of the prime contract.


## Certified Payrolls - Signatures

- Must be signed with a handwritten signature or a legally valid electronic signature.
- Valid electronic signatures include any electronic process that indicates acceptance of the certified payroll record and includes an electronic method of verifying the signer's identity.


## Certified Payrolls - Submission Methods

- Contracting agencies and prime contractors can permit or require contractors to submit their certified payrolls through an electronic system, if:
- the electronic system requires a legally valid electronic signature;
- other methods are permitted where a contractor may not be able to use or access the electronic system; and
- the electronic system allows the contractor, the contracting agency, and the Department to access the certified payrolls upon request for at least 3 years after the work on the prime contract has been completed.


## Required Record Disclosures

- A contractor's failure to make the required records available to WHD within the requested timeframe will prevent that contractor from using those records as evidence in a hearing under 29 CFR part 6.
- A reasonable request from the contractor or person for an extension of the time to submit records will be considered.



## Prohibited Actions

- It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for engaging in protected activity.


## Protected Activities

- Workers or job applicants are protected from retaliation for:
- notifying any contractor of any conduct which the worker reasonably believes constitutes a DBRA violation;
- filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting on behalf of themselves or others any DBRA right or protection;
- cooperating in any investigation or other compliance action, or testifying in any DBRA proceeding, or;
- informing any other person about their rights under the DBA, Related Acts, or 29 CFR parts 1, 3, or 5.


## Retaliation Remedies

- WHD may require contractors to provide appropriate relief to affected worker(s) and job applicant(s) or take appropriate remedial action, or both.


## Retaliation Remedies - Examples

- Examples of such remedies include, but are not limited to:
- employment, reinstatement or front pay in lieu of reinstatement, and promotion, together with back pay and interest;
- restoration of prior conditions and privileges of the worker's employment or former employment;
- removal of warnings, reprimands, or similar references; or
- the provision of a neutral employment reference.



## Withholding

- Ability to cross-withhold is strengthened
- Cross-withholding even when the contract is not with the same agency that awarded or assisted the prime contract on which the violations occurred
- Funds withheld for DBRA wage underpayments have priority over other competing claims


## Debarment

- The standard for DBA and Related Act debarments is now the same.
- Debarment is for 3 years with no early removal from the exclusion list for both DBA and Related Act.

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## WHD Resources

- DBRA Final Rule webpage - https://www.dol.gov/agencies/whd/government-contracts/construction/rulemaking-davis-bacon
- Wage and Hour Division: http://www.dol.gov/agencies/whd/government-contracts
- WHD Protections for Workers in Construction under the Bipartisan Infrastructure Law: https://www.dol.gov/agencies/whd/government-contracts/protections-for-workers-inconstruction
- Resource Book: http://www.dol.gov/agencies/whd/prevailing-wage-resource-book
- Office of the Administrative Law Judges Law Library: https://www.dol.gov/agencies/oalj/topics/libraries/LIBDBA
- Prevailing Wage Topic videos: https://www.dol.gov/agencies/whd/governmentcontracts/construction/presentations


## OFCCP Resources

- OFCCP holds those who do business with the federal government (contractors and subcontractors) responsible for complying with the legal requirement to take affirmative action and not discriminate on the basis of race, color, sex, sexual orientation, gender identity, religion, national origin, disability, or status as a protected veteran. In addition, contractors and subcontractors are prohibited from discharging or otherwise discriminating against applicants or employees who inquire about, discuss or disclose their compensation or that of others, subject to certain limitations.
- Further information on OFCCP is available at https://www.dol.gov/sites/dolgov/files/ofccp/regs/compliance/factsheets/FACT Wo rkplace Aug2016 ENGESQA508c.pdf.


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## REVOCATION OF CONTRACTOR

 REGISTRATION \& AWARDING BODY CITATIONSPUBLIC WORKS, CALIFORNIA LABOR COMMISSIONER'S OFFICE DEPARTMENT OF INDUSTRIAL RELATIONS

- 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.


## CONTRACTORS’ DUTY TO REGISTER

- A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, or engage in the performance of any contract for public work, unless registered and qualified to perform public work pursuant to Labor Code section 1725.5.


## QUALIFICATIONS OF REGISTERED CONTRACTORS

- To qualify for registration contractors must establish ALL of the following under penalty of perjury:
- The contractor has sufficient worker's compensation coverage.
- If applicable, the contractor is licensed with the California Contractor's State Licensing Board (CSLB).
- The contractor does not have any delinquent liability to an employee or the state for any assessment of back wage or related damages, interest, fines, or penalties to any final judgment, order, or determination by a court or any federal, state or local administrative agency, including a confirmed arbitration award.


## QUALIFICATIONS OF REGISTERED CONTRACTORS (cont'd)

- The contractor is not currently debarred from public works.
- The contractor has not bid on a public works, been listed in a bid proposal, or engaged in the performance of a contract for public works without being lawfully registered within the preceding 12 months.
- A contractor in violation of the above paragraph may still register if BOTH the following are true:
- No violations within the preceding 12 months.
- The contractor pays an additional penalty registration fee of $\$ 2,000.00$.


# WHAT HAPPENS WHEN A REGISTERED CONTRACTOR IS NO LONGER QUALIFIED? 



## REVOCATION OF REGISTRATION

- The Labor Commissioner's Office (DLSE) may revoke the registration of a contractor or subcontractor if ANY of the following are true:
- The contractor no longer meets the qualifications specified in Labor Code section 1725.5;
- At the time of the most recent registration or renewal, the contractor did not meet the qualification specified in Labor Code section 1725.5;
- The contractor made a certification it knew or should have known to be false at the time of certification.


## NOTICE OF REVOCATION

- A notice of revocation will:
- Specify the grounds for the revocation.
- Identify or describe the evidence which supports the revocation.
- Specify the length of time a contractor is disqualified from registering.
- Between 30 days and 24 months.
- The Labor Commissioner's Office may postpone or waive the disqualification period for a first-time violation that was unintentional and did not prejudice the rights of any other interested party or hinder the Labor Commissioner's ability to monitor and enforce compliance with the public works requirements of the Labor Code.


## APPEAL RIGHTS

- A notice of revocation can be appealed by submitting a written request for a hearing.
- The appeal is sent either electronically or by mail to both to the Director's Lead Hearing Officer and the Labor Commissioner's Office.
- The appeal may be submitted anytime within 60 days following the service of the notice of revocation.
- Only an appeal transmitted and received within 10 days will stay the revocation.


## Poll Question \#1

- A Contractor has a judgment against it for unpaid wages and civil penalties. The Contractor would like to bid on an upcoming public works project. The contractor renews its registration and does not disclose the unpaid judgment. The contractor bids on the public works project and is awarded the contract. The Contractor then immediately pays the judgment.
Question: Is the Contractor qualified to be registered with DIR?


## Poll Question \#1

- Answer: No.
- At the time of the most recent registration or renewal, the contractor did not meet the qualifications because it had a delinquent liability.


## WHAT HAPPENS WHEN AWARDING BODIES AND

 UNREGISTERED CONTRACTORS COLLIDE?
## AWARDING BODY CITATIONS Labor Code section 1773.3

- An awarding body may be subject to civil penalties of $\$ 100$ per day, up to a maximum of $\$ 10,000$ per project, for the following violations:
- Failing to register the project with DIR.
- Entering into a contract with an unregistered contractor.
- Permitting an unregistered contractor or subcontractor to perform work on a project.
- Unregistered contractor discovered after the project is completed.


## REGISTERING THE PROJECT WITH DIR

- An awarding body shall provide notice to the DIR of any public works project within 30 days of the award, but no later than the first day of a work on the project.


## ENTERING INTO A CONTRACT WITH UNREGISTERED CONTRACTORS

- Awarding a contract to a prime contractor who is not registered at the time the project is awarded.
- What happens if the contractor allows his registration to lapse?
- If the contractor registration lapses during the project, the awarding body is not liable for penalties since the contractor was registered at the time the contract was awarded. However, the awarding body may be subject to civil penalties if it permitted the contractor to perform work while unregistered.


## PERMITTING AN UNREGISTERED CONTRACTOR OR SUBCONTRACTOR TO WORK

- The awarding body allows an unregistered contractor or subcontractor to perform work is subject to penalties.
- But wait a second! How is the awarding body responsible to make sure that all subcontractors are registered?
- The awarding body is the owner of the project and has a responsibility to ensure that subcontractors at every tier are registered.
- Current registration status can be verified on DIR's website


## UNREGISTERED CONTRACTOR DISCOVERED AFTER THE PROJECT COMPLETED

- An awarding shall withhold final payment due to the contractor until at least 30 days after all the required information has been submitted to DIR, including providing a complete list of all subcontractors.
- If an awarding body makes a final payment to a contractor after that time and an unregistered contractor or subcontractor is found to have worked on the project, the awarding body shall be subject to civil penalties of $\$ 100$ for each full calendar day of violation for a period of up to 100 days $(\$ 10,000)$.
- The civil penalties for these violations are separate from the above obligations and penalties under 1773.3(c). An awarding body can potentially receive a citation for up to $\$ 10,000$ for permitting an unregistered contractor to work during the project and up to $\$ 10,000$ for unregistered contractor(s) discovered after final payment was made to the contractor.


## STOP ORDERS FOR UNREGISTERED CONTRACTORS

- When unregistered contractor(s) are discovered, the Labor Commissioner will issue a stop order prohibiting the unregistered contractor(s) from performing work on all public works projects until they become registered.
- The stop order does NOT apply to the registered contractors or subcontractors on the public work. See, Labor Code Section 17771.1(j)(1)


## Poll Question \#2

- An awarding body solicits bids for a public works project. The awarding body requires that all bids include the names of the prime contractor and subcontractors. The contractor and subcontractors on the winning bid are all registered with DIR. The awarding body registers the project with DIR before the first day of work on the project.
- Question: Is the Awarding Body subject to a citation?


## Poll Question \#2

- Answer: Probably not.
- The Awarding Body (AB) has done a lot of things right so far. The $A B$ ensured that the bid was awarded to a registered prime contractor that would employ registered subcontractors. The AB registered the project with DIR.
- However, the AB still has the obligation to monitor the project to ensure that no registrations lapse during the project AND that all lower-tiered subcontractors (including those not listed in the initial bid) are registered with DIR to perform work on the project.


# Strategic Enforcement of Public Works Construction <br> Labor Enforcement Task Force 

## Labor Enforcement

The Labor Enforcement Task Force, under the direction of the Department of Industrial Relations (DIR), is a coalition of California State government enforcement agencies that work together and in partnership with local agencies to combat the underground economy. In this joint effort, information and resources are shared to ensure employees are paid properly and have safe work conditions and honest, law-abiding businesses have the opportunity for healthy competition.

## Underground Economy

- The term "underground economy" refers to any business which operates without the necessary licensing, does not pay taxes or carry the required insurance or worker's compensation coverage, or forces its employees to work in unsafe conditions, or otherwise attempts to gain an unfair economic advantage by avoiding its tax and labor responsibilities.
- Tax evasion
- Failure to carry workers' compensation coverage
- Cash pay
- Failure to provide employees with breaks and adequate facilities
- Wage theft
- Failure to ensure a safe work environment

State of California
State of California
Department of
EST. 1927 Industrial Relations

## Strategic Enforcement of Public Works Projects

Starting in 2021, LETF has been leading an initiative to inspect publicly funded residential housing construction sites. The enforcement effort includes teams from DIR's Divisions of Occupational Safety and Health (Cal/OSHA), and Labor Standards Enforcement (Labor Commissioner's Office) in collaboration with other enforcement partners.

## Homekey

$$
\begin{aligned}
& \text { A statewide effort to sustain and rapidly expand } \\
& \text { housing for persons experiencing homelessness } \\
& \text { or at risk of homelessness. }
\end{aligned}
$$

## Bringing California Home

Homekey is an opportunity for state, regional, and local public entities to develop a broad range of housing types, including but not limited to hotels, motels, hostels, single-family homes and multifamily apartments, adult residential facilities, manufactured housing, and to convert commercial properties and other existing buildings to permanent or interim housing for the target population.

## Homekey Round 3 Overview



## Homekey Round 3

On December 1, 2022 Governor Newsom announced that additional funding would be added, for the release of a third round of Homekey housing projects.

HCD released Notice of Funding Availability (NOFA) for Homekey Round 3. Final Application Due Date - July 28, 2023, or until funds are exhausted, whichever occurs first.

Homekey Grant funds: $\$ 736$ million (FY 2022-23)

## LETF Strategic Enforcement-Non Homekey

LCO PW and Cal/OSHA are reviewing all current and new complaints, and leads, to determine if they meet the criteria for joint enforcement operations at active on-site residential construction projects.

## Contact LETF

## Hotline: 855-297-5322

## Email: LETF@dir.ca.gov

## www.dilr.ca.gov/letf

## Upcoming System Modernization

| Data and Reporting |  |
| :---: | :---: |
| From: <br> - Time-consuming manual data transfer and slow download speeds | To: <br> - Reliable, faster downloading of relevant data / reports |
| PWC100/PWCR/eCPR Portals |  |
| From: <br> - Inconsistent and slow system performance <br> - Duplicative registration and project linking processes across systems <br> - Inability to edit registration details, self-manage user accounts (e.g., add new users, password reset, etc.), or associate with subcontractors <br> - Payment totals not visible with tedious payment processes | To: <br> - Single, unified, and reliable system for awarding bodies and contractors to interact with DIR Public Works Streamlined user interface enabling leading edge experience for constituent registration <br> - More robust self-service and payment management features |

## Upcoming System Modernization

| eCPR Submissions |  |
| :---: | :---: |
| From: <br> - Adjustments requiring completely new eCPR submission <br> - Worker details needing to be re-entered with every record <br> Separate eCPR needed for each employee on a project <br> Slow eCPR upload times | To: <br> - Refined editing features of previous eCPR submissions <br> - Ability to save worker profiles and duplicate previous submissions, removing need for redundant data entry <br> - Capability to group workers for batch submissions <br> - Accelerated eCPR upload speeds |
| Prevailing Wage |  |
| From: <br> - Time-consuming process to verify prevailing wage rates housed in numerous PDF documents and tables across multiple webpages (e.g., split up by trade, subtrade, geography, time of work, etc.), with some info only available by calling DIR | To: <br> - Simplified search mechanism, determining detailed prevailing wage with a single query for any given worker on a particular project, inclusive of predetermined increase breakdowns and overtime rates <br> - Ability to download data in delimited text file format | EST. 1927 Industrial Relations

## PREVAILING WAGE/LABOR COMPLIANCE WEBINAR PUBLIC WORKS COVERAGE

Matthew Kim, Esq. OD LEGAL UNIT SEPTEMBER 13, 2023


## DISCLAIMER

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, and is not intended to amend, interpret, or make specific any 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.

Department of Industrial RelationsQuick Links

- LETF Home
- Report a labor law violation
- Report a workplace hazard to Cal/OSHA
- File a wage claim
- Know my employment rights
- Know my rights as an injured worker
- Get workplace postings
- Find prevailing wage determinations
> Issues Prevailing Wage Determinations
> Division of Labor Standards Enforcement (DLSE) ("Labor Commissioner’s Office")
> Enforces prevailing wage and apprenticeship laws
> Division of Apprenticeship Standards (DAS)
> Administers apprenticeship laws, programs, and standards
> Approves apprenticeship programs

The Basic Definition: Labor Code Section 1720(a)(1) (a) As used in this chapter, "public works" means:
(1) Construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds...


## Construction and Related work

## Labor Code 1720(a)(1), Construction includes

... work performed during the design, site assessment, feasibility study, and other preconstruction phases of construction, including, but not limited to, inspection and land surveying work, regardless of whether any further construction work is conducted, and work performed during the postconstruction phases of construction, including, but not limited to, all cleanup work at the jobsite.

## Construction and Related work

## Labor Code 1720(a)(1), Construction includes

- work performed during the design,
- site assessment,
- feasibility study,
- and other preconstruction phases
- inspection and land surveying work,
* REGARDLESS WORK IS DONE
- work performed during the postconstruction
- all cleanup work at the jobsite.


## Construction and Related Work CONT.

## Labor Code 1720(a)(1), - "CA-DIR"

- Construction
- Alteration (including change of the usage of the land)
- Demolition
- Installation
- "the assembly and disassembly of freestanding and affixed modular office systems"
- Repair Work
- Maintenance Work (Labor Code 1771)


## Labor Code Section 1771

Except for public works projects of one thousand dollars $(\$ 1,000)$ or less, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in this chapter, shall be paid to all workers employed on public works.

This section is applicable only to work performed under contract, and is not applicable to work carried out by a public agency with its own forces. This section is applicable to contracts let for maintenance work.

## What is "Maintenance Work"?

## Title 8 of California Code of Regulation § 16000

(1) Routine, recurring and usual work for the preservation, protection and keeping of any publicly owned or publicly operated facility (plant, building, structure, ground facility, utility system or any real property) for its intended purposes in a safe and continually usable condition for which it has been designed, improved, constructed, altered or repaired.
(2) Carpentry, electrical, plumbing, glazing, [touchup painting,] and other craft work designed to preserve the publicly owned or publicly operated facility in a safe, efficient and continuously usable condition for which it was intended, including repairs, cleaning and other operations on machinery and other equipment permanently attached to the building or realty as fixtures.

## What is "Maintenance Work"?

## Title 8 of California Code of Regulation § 16000

- Routine, recurring, and usual
- preservation, protection, and keeping of
- any publicly owned or publicly operated facility
- (plant, building, structure, ground facility, utility system, or any real property)
- for its intended purposes
- a safe and continually usable condition
- Carpentry, electrical, plumbing, glazing, [touchup painting,] and other craft work
- Work on machinery and other equipment permanently attached


## Other definitions of "public works" Section 1720(a)

(2) "Work done for irrigation, utility, reclamation, and improvement districts, and other districts of this type."
(3) "Street, sewer, or other improvement work done under the direction and supervision or by the authority of any officer or public body of the state, or of any political subdivision or district . . ."

## Other definitions of "public works" Section 1720(a).. Cont.

(4) The laying of carpet done under a building lease-maintenance contract and paid for out of public funds.
(5) The laying of carpet in a public building done under contract and paid for in whole or in part out of public funds.
(6) Public transportation demonstration projects (Streets and Highways Code s 143)
(7) Infrastructure project grants from the California Advanced Services Fund pursuant to Section 281 of the Public Utilities Code.
(8) Tree removal work done in the execution of a project under paragraph (1)

## Other definitions of "public work"

$>$ Section 1720(e) [Work on electric transmission system]
$>$ Section 1720.2 [Private construction leased to public entity]
> Section 1720.3 [Hauling]
$>$ Section 1720.6 [Private renewable energy projects on public property]
$>$ Section 1720.7 [Work done on general acute care hospitals]
> Section 1720.8 [Work done on charter schools] 1/1/2021
$>$ Section 1720.9 [Hauling of ready-mixed concrete]

## Paid for in whole or in part out of public funds

(Labor Code 1720(b))

1. The payment of money or the equivalent of money . . . directly to or on behalf of the public works contractor, subcontractor, or developer.
2. Performance of construction work by the state of political subdivision in execution of the project.
3. Transfer . . . of an asset of value for less than fair market price.

## Paid for in whole or in part out of public funds

(Labor Code 1720(b))
4.Fees, costs, rents, insurance or bond premiums, loans, interest rates, or other obligations that would normally be required in the execution of the contract, that are paid, reduced, charged at less than fair market value, waived, or forgiven . . . .
5. Money loaned . . . that is to be repaid on a contingent basis.
6. Credits that are applied . . . against repayment obligations

## Exception to Prevailing Wage Requirements



## Section 1720(c)(2) exception - public improvement

IF..

1) the public improvement work is required as a condition of regulatory approval;
2) the project is an otherwise private development;
3) the public entity must not contribute more money, or the equivalent of money, to the overall project than is required to construct the public improvement work; and
4) the public entity must not maintain any proprietary interest in the overall project.

Then, only the public improvement work is subject to prevailing wages requirement.

## Section 1720(c)(3)(A) exception - de minimis

- So-called "de minimis exception" applies when a public entity provides a public subsidy to an otherwise private development project that is "de minimis" in the context of the project.


## Section 1720(c)(3)(B) exception

- De minimis if it is both less than $\$ 600,000$ AND less than 2 percent of the total project cost.
- For projects that consist entirely of single-family dwellings, de minimis is merely less than 2 percent of total project cost.
- Not applicable to projects advertised for bid/awarded before 7/1/21


## Section 1720(c)(5)(e) exception -

Affordable Housing Project (20-40-80)
***Unless the loan program or the public entity requires PW.

1) At least $40 \%$ of the units
2) Made Available to Households Making No More than $80 \%$ of the Area Median Income
3) These restrictions are in place for at least 20 years and
4) Only form of public funds is a below market interest rate loan

## Miscellaneous Exceptions

$>$ Section 1720.4 (Volunteers or Conservation Corps) (Sunsets 1/1/30)
> Section 1720.5 (Graffiti Removal Work in the City of Los Angeles Done by a Community-Based Organization Under Certain Circumstances) (Sunsets 1/1/24)
> 8 CCR 16000 (Janitorial, Custodial, Security Guards)

## Coverage Determinations

> The coverage determination process is spelled out in Labor Code section 1773.5 and Cal. Code Regs., title 8, sections 16001-16002.5.
$>$ Two types of coverage determinations
$>$ Whether a project is covered
$>$ Whether a type of work is covered.

What is a coverage determination?

Section 1773.5 and Cal. Code Regs., Title 8, Sections 16001-16002.5
> The Director has the power to determine that a project or a type of work is public work through issuing what is known as a coverage determination.
> The administrative process consists of an initial coverage determination and a final determination on administrative appeal.
> Depending on when the parties make their submissions, the entire process can take many months.

# Office of the Director - Legal Unit <br> Public Works Inquiries 

PWCoverage@dir.ca.gov

## New Law 2024

AB 1121: DIR listing of debarred public works contractors (Labor Code § 1771.1.)

- Labor Code Section 1171.1, effective 1/1/2024
- Previous Law: Required DIR to maintain on its internet website a list of contractors that are currently registered to perform public works.
- New Law: Require awarding authorities to annually submit to DIR's electronic project registration database a list of ineligible contractors per local debarment or suspension processes. List to be available to public.


## Current Bills

AB 2135: would extend time for service of CWPA from 18 months to 24 months

AB 3186: requires an owner or developer to make specific records available upon request. Misdemeanor criminal liability for willful failure to comply with public works/prevailing wage requirements (Labor Code § 1776.1.)

AB 3190: eliminates affordable housing exception. Tax credit = public funding

AB 2451: higher rate arise from collective bargaining agreement that have overlapping crafts and classifications.

## Public Works

## Useful Links

> DIR's Public Works Home Page
> http://www.dir.ca.gov/Public-Works/PublicWorks.html
> The Director's Public Works Coverage Determinations
> http://www.dir.ca.gov/OPRL/PubWorkDecision.htm
> The Director's General Prevailing Wage Determinations
> http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm
> DLSE's Public Works Manual
> http://www.dir.ca.gov/dlse/PWManualCombined.pdf
> California Labor Code
> http://leginfo.legislature.ca.gov/faces/codes.xhtml

- California Code of Regulations
> http://www.oal.ca.gov/

Prevailing wage LABOR COMPLIANCE SEMINAR Skilled \& Trained Workforce Requirements

Public Works
California Labor Commissioner's Office
Department of Industrial Relations
June 6, 2024

## 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.

## Additional Disclaimers

California Labor Commissioner's Office

- Presentation WILL NOT cover statutes and regulations that require use of Skilled and Trained Workforce.
- Public Contract code 2600 does not require STW, but it provides the definition, compliance guidelines and enforcement measures.
- Awarding Bodies/Public Entities should be aware which government code is applicable to agency.
- Apprenticeship requirements \& STW requirements are separate requirements.
- Please bid on STW requirement projects only if confident compliance will be met.

Understand STW requirements including bidding, workforce composition, graduation percentage calculation, exceptions

Understand awarding body and contractor compliance and reporting obligations

Be aware of LCO enforcement, including penalties and debarment for noncompliance

## Skilled \& Trained Workforce Requirement

Public Contract Code §2600

## Skilled \& Trained Workforce Requirements

Public Contract Code §2600(a) \& §2600(b)
Chapter applies when a public entity is required by statute or regulation to obtain an enforceable commitment that a bidder, contractor, or other entity will use a skilled and trained workforce to complete a contract or project.

- Awarding Bodies and public entities should be aware of which statutes and regulations apply to their agency. (EDC, HSC, PCC, PUC or any other government codes)

A public entity may require a bidder or contractor to use a skilled and trained workforce to complete a contract or project regardless of whether the public entity is required to do so by a statute or regulation.

## Bidding <br> Requirements \& Enforceable Agreements <br> Public Contract Codes §2600, §2600.5 \& §2602

## Bid Requirements

Public Contract Code §2600(c) \& §2600.5
When a skilled and trained workforce is required by statute or regulation or by requirement of a public entity, the public entity shall include in all bid documents and construction contracts a notice that the project is subject to the skilled and trained workforce requirement.

The failure of a public entity to provide a notice pursuant to subdivision (c) of Section 2600 shall not excuse either of the following:

- The public entity from the requirement to obtain an enforceable commitment that a contractor will use a skilled and trained workforce to complete a contract or project.
- A contractor from the obligation to use a skilled or trained workforce if such a requirement is imposed by a statute or regulation.


## Enforceable Agreements

Public Contract Code §2602
Whenever a contractor is subject to the STW requirements, the commitment shall be made in an enforceable agreement with the public entity or other awarding body that provides BOTH of the following:

- Contractor and subcontractors at every tier will comply with the STW requirements.
- Contractor and subcontractors will provide a report demonstrating compliance with the STW requirements to the public entity or awarding body on a monthly basis while the project or contract is being performed.
- Subcontractors should supply monthly reports to prime contractor and prime contractor will supply awarding body or public entity with report for all contractors.


## What is a Skilled \& Trained Workforce? ("STW") <br> Public Contract Code §2601

## What is a "Skilled \& Trained Workforce"?

Public Contract Code §2601
A STW meets ALL of the following conditions:

- ALL workers performing work in an apprenticeable occupation in the building and construction trades are EITHER:
- Skilled Journeypersons OR
- DAS-Registered Apprentices
- Graduation Percentage Requirement:
- 30\% - 60\% of ALL Skilled Journeypersons must be graduates of apprenticeship program.
- Graduation percentage requirement varies depending on specific craft.
- Graduation percentage requirement can be met by counting EITHER:
- Number of Skilled Journeypersons employed (head count) OR
- Number of hours worked by Skilled Journeypersons (hours worked by trade)


## Who is a "Skilled Journeyperson"?

Public Contract Code §2601(e)
A Skilled Journeyperson is a worker who EITHER:

- Graduated from a DAS-approved apprenticeship program for the applicable occupation or a DOL-approved apprenticeship program outside California OR
- Has at least as many hours of on-the-job experience in the applicable occupation as would be required to graduate from a DAS-approved apprenticeship program
> *Workers that have not graduated from an approved apprenticeship program or do not have the required on the job training hours are not considered skilled journeypersons and should not be allowed to work on skilled and trained workforce requirement projects.



## POLL QUESTION \#1

A skilled and trained workforce includes all of the following except...?
A. DAS registered apprentices
B. Journeymen who have graduated from an approved apprenticeship program
C. Journeymen who have the number of on the job hours needed to graduate from an apprenticeship program
D. Unregistered apprentices or Journeymen with no on the job training

## POLL QUESTION \#1

A skilled and trained workforce includes all of the following except...?
A. DAS registered apprentices
B. Journeymen who have graduated from an approved apprenticeship program
C. Journeymen who have the number of on the job hours needed to graduate from an apprenticeship program
D. Unregistered apprentices or Journeymen with no on the job training

## POLL QUESTION \#2

A skilled journeyperson who has worked the number of on the job hours required to graduate from an approved apprenticeship program may be counted in the graduation percentage requirement?
A. Yes
B. No
C. Not sure

## POLL QUESTION \#2

A skilled journeyperson who has worked the number of on the job hours required to graduate from an approved apprenticeship program may be counted in the graduation percentage requirement?
A. Yes
B. No
C. Not sure

## STW

## Apprenticeship

 Graduation RequirementPublic Contract Code §2601

## Graduation Percentage Requirement

| Applies to work performed on or after: | \% of <br> journeypersons who must be graduates of apprenticeship program: | Not applicable to work performed by the following trades/occupations: | Authority |
| :---: | :---: | :---: | :---: |
| January 1, 2017 | 30\% | Teamster | Pub. Contract Code §2601 (d)(2)(A) |
| January 1, 2018 | 40\% | Acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or waterproofer, stone mason, surveyor, teamster, terrazzo worker or finisher, and tile layer, setter, or finisher. | Pub. Contract Code §2601 (d)(2)(B) |
| January 1, 2019 | 50\% | Same as above. (Including Teamster) | Pub. Contract Code §2601 (d)(2)(C) |
| January 1, 2020 | 60\% | Same as above. (Including Teamster) | Pub. Contract Code §2601 (d)(2)(D) |

## Graduation Percentage Requirement

| Period Beginning | Period <br> Ending | Classification | Minimum Graduation Percentage Required |
| :---: | :---: | :---: | :---: |
| 1/1/2017 | 12/31/2017 | Teamster | 0.00\% |
|  |  | All Others | 30.00\% |
| 1/1/2018 | 12/31/2018 | Teamster | 0.00\% |
|  |  | Acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or water proofer, stone mason, surveyor, teamster, terrazzo worker or finisher, a nd tile layer, setter, or finisher | 30.00\% |
|  |  | All Others | 40.00\% |
|  |  | Teamster | 0.00\% |
| 1/1/2019 | 12/31/2019 | Acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or water proofer, stone mason, surveyor, teamster, terrazzo worker or finisher, a nd tile layer, setter, or finisher All Others | $\begin{aligned} & 30.00 \% \\ & 50.00 \% \\ & \hline \end{aligned}$ |
| 1/1/2020 | N/A | Teamster <br> Acoustical installer, bricklayer, carpenter, cement mason, drywall installer or lather, marble mason, finisher, or setter, modular furniture or systems installer, operating engineer, pile driver, plasterer, roofer or water proofer, stone mason, surveyor, teamster, terrazzo worker or finisher, a nd tile layer, setter, or finisher All Others | $\begin{aligned} & 0.00 \% \\ & 30.00 \% \\ & 60.00 \% \end{aligned}$ |

## POLL QUESTION \#3

| Applies to work <br> performed on or after: | \% of journeypersons who <br> must be graduates of <br> apprenticeship program | Not applicable to work performed by the following <br> trades/occupations: |
| :---: | :---: | :---: |
| January 1, 2017 | $30 \%$ | Teamster |
| January 1, 2018 | $40 \%$ | Acoustical installer, bricklayer, carpenter, cement mason, drywall <br> installer or lather, marble mason, finisher, or setter, modular <br> furniture or systems installer, operating engineer, pile driver, <br> plasterer, roofer or waterproofer, stone mason, surveyor, teamster, <br> terrazzo worker or finisher, and tile layer, setter, or finisher. |
| January 1, 2019 | $50 \%$ | Same as above. (Including Teamster.) |

Looking at this chart, what would be the graduation percentage requirement for carpenters? Work was performed in June 2019.
A. 50\%
B. $30 \%$
C. $40 \%$
D. $60 \%$

## POLL QUESTION \#3

| Applies to work <br> performed on or after: | \% of journeypersons who <br> must be graduates of <br> apprenticeship program | Not applicable to work performed by the following <br> trades/occupations: |
| :---: | :---: | :---: |
| January 1, 2017 | $30 \%$ | Teamster |
| January 1, 2018 | $40 \%$ | Acoustical installer, bricklayer, carpenter, cement mason, drywall <br> installer or lather, marble mason, finisher, or setter, modular <br> furniture or systems installer, operating engineer, pile driver, <br> plasterer, roofer or waterproofer, stone mason, surveyor, teamster, <br> terrazzo worker or finisher, and tile layer, setter, or finisher. |
| January 1, 2019 | $50 \%$ | Same as above. (Including Teamster.) |

Looking at this chart, what would be the graduation percentage requirement for carpenters? Work was performed in June 2019.
A. 50\%
B. $30 \%$
C. $40 \%$
D. $60 \%$

## Apprenticeship Graduation Percentage Requirement

The graduation percentage requirement may be satisfied by EITHER using the head count of apprenticeship program graduates OR percentage of hours worked by apprenticeship program graduates in a particular calendar month.

- The method used to calculate the graduation percentage can be changed month to month based on the contractor's workforce that month, and which calculation will allow them to meet the graduation percentage requirement.


## Head Count Method

At least the required percentage of the Skilled Journeypersons employed by the contractor or subcontractor to perform work on the contract or project meet the graduation percentage requirement.

- Example: Graduation percentage requirement - 60\%
- Contractor employs 10 Skilled Journeypersons:
- 6 skilled journeypersons must be graduates of apprenticeship program.
- 4 skilled journeypersons may have on the job hours.
- 6 apprenticeship program graduates out of 10 skilled journeypersons $=60 \%$ graduation requirement met

Total number of Graduated J/M
Total number of J/M (Graduates+OJT)

## Hours Worked Percentage Count Method

The percentage of hours of work performed by Skilled Journeypersons employed by the contractor or subcontractor on the project, who met the graduation requirement is at least equal to the required graduation percentage.

- Example: Graduation percentage requirement - 60\%
- Hours worked in a month: 100 hours
- At least 60 hours must be worked by graduates of apprenticeship program to meet requirement.
- 40 hours may be worked by skilled journeypersons with on the job hours.
- 60 hours worked by apprenticeship graduates/100hrs worked in total $=0.6 \times 100=$ 60\% graduation requirement met.


## POLL QUESTION \#4

|  | Total Number of Skilled <br> Classification <br> Journeypersons | Number of Skilled Journeypersons <br> Graduated From Apprenticeship Program | Number of Skilled Journeypersons <br> With On The Job Training | Graduation Percentage <br> Requirement |
| :--- | :---: | :--- | :--- | :--- |
| Laborer | 13 | 6 | 7 | $60 \%$ |

Does this workforce meet the skilled and trained workforce graduation percentage requirement for the month?
A. Yes
B. No
C. Not sure

## POLL QUESTION \#4

|  | Total Number of Skilled <br> Classification <br> Journeypersons | Number of Skilled Journeypersons <br> Graduated From Apprenticeship Program | Number of Skilled Journeypersons <br> With On The Job Training | Graduation Percentage <br> Requirement |
| :--- | :---: | :--- | :--- | :--- |
| Laborer | 13 | 6 | 7 | $60 \%$ |

Does this workforce meet the skilled and trained workforce graduation percentage requirement for the month?
A. Yes
B. $\mathrm{No}-6 / 13=46 \%$
C. Not sure

## Exceptions to the Apprenticeship Graduation Percentage Requirement

If no DAS-approved apprenticeship program existed before January 1, 1995 for any apprenticeable craft:

- Up to one-half ( $1 / 2$ ) of the graduation percentage requirements may be satisfied by Skilled Journeypersons who commenced working in the apprenticeable craft before DAS approved an apprenticeship program for that craft in the county in which the project is located.
- A contractor or subcontractor does not need to meet the graduation percentage requirements for any apprenticeable craft in which it performs less than 10 hours of work during that calendar month.


## Exceptions to the Apprenticeship Graduation Percentage Requirement

A subcontractor does not need to meet the graduation percentage requirements (for all crafts it employs) if BOTH of the following requirements are met:

- Subcontractor was not a listed on the bid pursuant to Public Contract Code §4104* or performing work as a substitute for a subcontractor that was listed.
- Subcontract does not exceed one-half of 1 percent (0.5\%) of the price of the prime contract.

```
*NOTE: These exceptions apply only to the graduation percentage requirements- NOT to the
STW requirements generally.
```


## Monthly Reports \& Awarding Body Obligations <br> Public Contract Code §2600

## Failure to Provide or Incomplete Monthly Report

Public Contract Code §2602(b)

- If the prime contractor fails to provide the monthly report, or provides an incomplete one, the awarding body (AB) shall withhold further payments until a complete report is provided.
- If a monthly report is incomplete because a subcontractor failed to timely submit the required information to the contractor:
- $A B$ shall withhold an amount only equal to 150 percent (150\%) of the value of the monthly billing for the relevant subcontractor.
- The prime contractor may withhold the same amount from the subcontractor until the subcontractor provides a complete report and the AB pays the contractor the withheld payments.
- $A B$ required to immediately resume making payments to the contractor (including all previously withheld payments) if the contractor substitutes a subcontractor for its failure to provide a complete report and replaces it with one that provides an enforceable commitment to use a STW to complete the work.



## Monthly Report Failing to Demonstrate Compliance

Public Contract Code §2602(c)

- If a monthly report does not demonstrate compliance with the STW requirements the $A B$ is required to do ALL of the following:
- Withhold further payments until the contractor provides a plan to achieve "substantial compliance" with regard to the relevant trade/craft prior to contract completion.
- Withholding amount equal to 150 percent (150\%) of the value of the monthly billing for the contractor or subcontractor that failed to comply with the STW requirements.
- Contractor may withhold the same amount from the subcontractor.
- $\quad A B$ required to immediately resume making payments to the contractor (including all previously withheld payments) if the contractor substitutes a subcontractor for its failure to demonstrate compliance.
- $\quad A B$ required to immediately resume making payments to the contractor (including all previously withheld payments) if a plan to achieve substantial compliance with the STW requirement is submitted
- AB may reject the plan as insufficient and explains the reasons for the rejection within a reasonable time.


## Monthly Report Failing to Demonstrate Compliance

Public Contract Code §2602(c)

- If a monthly report does not demonstrate compliance with the STW requirements or the plan for substantial compliance submitted is rejected by the awarding body, then $A B$ is required to do the following:
- Forward a copy of the monthly report to the Labor Commissioner for issuance of a Civil Wage and Penalty Assessment.
- Forward a copy of the plan to achieve "substantial compliance" (if any), and its response to that plan (if any) to the Labor Commissioner.


## Labor Commissioner's Enforcement Process <br> Under Public Contract Code §2603

## Penalties Under Contract Code §2603

Penalties of up to $\$ \mathbf{5 , 0 0 0}$ per month of work performed in violation of the STW requirements assessed against contractor or subcontractor that failed to use a STW.

- Increased penalties up to \$10,000 per month for a second or subsequent violation within a three-year period.

Factors considered by the Labor Commissioner in determining penalty amount:

1. Whether the violation was intentional;
2. Whether the contractor or subcontractor has committed other violations of this chapter or of the Labor Code;
3. Whether, upon notice of the violation, the contractor or subcontractor took steps to voluntarily remedy the violation;
4. The extent or severity of the violation; and
5. Whether a contractor or subcontractor submitted and followed a plan to achieve substantial compliance.

## Penalties Under Contract Code §2603

- Prime contractors are not liable for penalties for violations of subcontractor unless the prime contractor had knowledge of the subcontractor's failure to comply OR fails to comply with ANY of the following requirements:
- For contracts entered into on or after January 1, 2019, the contract executed between the contractor and the subcontractor for the performance of work on the project included a copy of chapter 2.9 of the Public Contract Code;
- The contractor periodically monitored the subcontractor's use of a STW;
- Upon becoming aware of a failure of the subcontractor to use a STW, the contractor took corrective action, including, but not limited to, retaining 150\% of the amount due to the subcontractor for work performed on the project until the failure is corrected; AND
- Prior to making the final payment to the subcontractor for work performed on the project, the contractor shall obtain a declaration signed under penalty of perjury from the subcontractor that the subcontractor has met the requirements of chapter 2.9 of the Public Contract Code.


## Labor Commissioner's Enforcement Process

Violations of the STW requirement are enforced by the Labor Commissioner using the same process set forth in Labor Code §§ 1741 \& 1742 currently used for prevailing wage and apprenticeship requirements.

Up to three years of debarment when the Labor Commissioner finds a contractor or subcontractor to have:

- Violated the STW requirements with the intent to defraud OR
- Committed two or more separate willful violations of the STW requirements within a 3 -year period.


## Skilled and Trained Workforce Statute \& FAQs

Summary of Skilled and Trained Workforce Statutes: https://www.dir.ca.gov/Public-Works/ADA-Compliant-STW-Chart-without-New-PRC-Provision.pdf

Skilled and Trained Workforce Frequently Asked Questions:
https://www.dir.ca.gov/Public-Works/ADA-Compliant-STW-FAQ.pdf

## THANK YOU!

Public Works
California Labor Commissioner's Office Department of Industrial Relations


Prevailing wage LABOR COMPLIANCE SEMINAR Awarding Body Responsibilities

Public Works
California Labor Commissioner's Office Department of Industrial Relations June 6, 2024

## Disclaimer

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# Compliance Requirements 

Labor Code \&
Title 8, CCR § 16000

## Who qualifies as an Awarding Body?

An awarding body is the entity that awards a contract for public works and is sometimes known as the project owner.

The awarding body can be any kind of public agency or official (state, county, city, school board, water district, etc.) OR a private entity using public funds.


Labor Code(s) 1720(1) and 1722.1

## Monetary Thresholds

## Prevailing Wage

Project Registration
>\$15,000
>\$1,000
>\$25,000
CADIR

## Public Works Project



## Public Works Project



## Project registration

Provide electronic notice to DIR of all public works contracts within 30 days of the award, but in no event later than the first day in which a contractor has workers employed upon the public work. (LC §1773.3) *

[^0]
## https://www.dir.ca.gov/Public-Works/PublicWorks.html



## Public Works

## Public works in general means:

- Construction, alteration, demolition, installation, or repair work done under contract and paid in whole or in part out of public funds.
- It can include preconstruction and post-construction activities related to a public works project.
- For a full definition of public works refer to Labor Code section 1720.

Anyone working on a public works project must be paid prevailing wages as determined by DIR. Projects of $\$ 30,000$ or more must meet DIR's apprenticeship requirements. Failure to comply with public works requirements can result in civil penalties, criminal prosecution, or both.

## Resources

- Public Works Pre-Qualification of Contractors
- Apprenticeship Requirements
- Certified Payroll Reporting
- Enforcement of Public Works Law
- File a Public Works Complaint
- Labor Compliance Programs
- Prevailing Wage Requirements
- More Resources

Q Search
Find Public Works Projects Find Dublia M/arks Contractors
Find Payroll Records
[ 7 Registration Contractor Registration Project Registration


## California Department of

CA.gov | Contact Us | DLSE
Industrial Relations
Division of Apprenticeship Standard / Division of Labor Standards Enforcement
Home Labor Law Cal/OSHA - Safety \& Health Workers' Comp Self Insurance Apprenticeship Director's Office Boards
Home : External Lookup

## Public Works Projects Registration (PWC-100) for all Awarding Agencies

Welcome to the PWC 100 form online application page. The PWC 100 form should be completed by the awarding body. The completion and the submission of this form fulfills the required public works project award notification as required by Labor Code sec. 1773.3 (replacing former DAS-13 notification) and
8 Cal. Code Reg. sec. 16451(a)
An awarding body or body awarding the contract means department, board, authority, officer or agent awarding a contract for public work. In most cases the awarding body is a unit of state or local government, such as a city, county, school district, water district, special district, or a state agency. However, in some cases the body awarding the contract may be a private entity that uses public funds for a public works construction project.

Browser Support


To create an account please select the First Time User button above. Note that user ID and password are case sensitive.


## SEARCHING FOR A PUBLIC WORKS PROJECT <br>  <br> Public Works

Public works in general means:

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- It can include preconstruction and post-construction activities related to a public works project.
- For a full definition of public works refer to Labor Code section 1720 .

Anyone working on a public works project must be paid prevailing wages as determined by DIR. Projects of $\$ 30,000$ or more must meet DIR's apprenticeship requirements. Failure to comply with public works requirements can result in civil penalties, criminal prosecution, or both.


$$
\begin{aligned}
& \text { Awarding Bodies, } \\
& \text { public agencies or project }
\end{aligned}
$$ owners

Public Works Prevailing Wage Training for Contractors and Awarding Bodies

## Resources

- Public Works Pre-Qualification of Contractors
- Apprenticeship Requirements
- Certified Payroll Reporting
- Enforcement of Public Works Law
- File a Public Works Complaint
- Labor Compliance Programs
- Prevailing Wage Requirements
- More Resources

Q Search
Find Public Works Projects
Find Public Works Contractors

Registration
Contractor Registration
Project Registration

Public Search Utility - You may search by DIR Project ID or enter at least one search criteria to display projects matching your selections.


Click the DIR Project ID to see more information about the project

| ID | Awarding Body | Project Name | Site Address | Dates | Classification | County |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Project Number: | Sunshine County | Sunshine H.S. Gym | 1213 Sunny Lane | Advertised: | LABORERS | RIVERSIDE |
| Bid 7582 |  | Repair | Sunshine, Ca 93312 | 03/14/2019 | CEMENT |  |
| DIR Project |  |  |  | Award: | MASONS |  |
| ID: 123456 |  |  |  | 04/04/2019 | OPERATING |  |
|  |  |  |  | Est. Start: | ENGINEERS |  |
|  |  |  |  | 07/01/2019 |  |  |
|  |  | Amount: |  | Est. Comp: |  |  |
|  |  | \$524,409.59 |  | 08/30/2019 |  |  |


| Contractor |  |  | Sub Contractor |
| :--- | :--- | :--- | :--- |
| PWCR/CSLB/Lic Name |  | PWCR/CSLB/Lic | Name |
| Project Number: | Sunshine County | Sunshine Park <br> Puchase Req | Community Pool |



## Project registration

Ensure that public works projects are not split or separated into smaller work orders or projects for the purpose of evading the applicable provisions of LC §1771. (Title 8, CCR § 16100)

## Ensure contractors are registered

A contractor or subcontractor must be registered when bidding, listed in a bid proposal, or engaged in the performance of any contract for public work. (LC §§1725.5 \&1771.1) *

[^1]
## https://cadir.secure.force.com/ContractorSearch

## Public Works Contractor Registration Search

Enter at least one criteria to display registered public works contractor(s) matching your selections.
Note: Search results will display all of the public works contractor registrations, both current and expired. Make sure a proper registration fiscal year is selected when performing a search.

| Input Label | From Date: | To Date: |  |
| :--- | :--- | :--- | :--- |
| Legal name, CSLB number, DBA, Reglstration number | $\mathrm{mm} / \mathrm{dd} / \mathrm{yyyy}$ | $\mathrm{mm} / \mathrm{dd} / \mathrm{yyyy}$ |  |
| County |  | City |  |
|  |  |  |  |

Crafts (Select all that apply)

Registrations
Search Results:AsbestosBoilermakerBlacksmith

Print PDF 8
Export
Status
Active
RegItstration Number
PW-LR-1000469801
egistration effective date
Registratlo
03/04/19
Registratlon explration date
Registratlo
Malling Address
Address St Anytown 95555 CA United States of Amerka
1 Address St Anyt
hyslcal Address
Address St Anytown 95555 CA Uniled States of Amerlca
Emall Address

Trade Name/DBA
Mlke's Constructio
Icense Number (s)
SLLB: 1234567
CSLB:1234567

Legal Entity Information
Corporation Number:
Federal Employment Identification Number:
President Name:
Vice President Name
reasurer Name:
CEO Name:
gent of Service Name:
Agent of Service Mailing Address: CA United States of America

## Worker's Compensation

Do you lease employees through Professional Employer Organization (PEO)?:
Please provide your current worker's compensation insurance information below:

Insured by Carrier
Policy Holder Name:
Insurance Carrier
Policy Number:
Expiration Date:
Aetna
8790000
$01 / 01 / 19$
01/01/20

## POLL QUESTION \#1

CONTRACTOR REGISTRATION

As an awarding body member, you know that contractors must be registered when bidding, being awarded, and working on public works projects.

Using the contractor registration histories and provided dates on the next slide, which contractor was correctly registered through the entire process?

## POLL QUESTION \#1

| Registration History - <br> Contractor A |  | Registration History - <br> Contractor B |  | Registration History - <br> Contractor C |  |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- |
| Effective Date | Expiration Date | Effective Date | Expiration Date | Effective Date | Expiration Date |
| $8 / 10 / 2021$ | $6 / 30 / 2022$ | $7 / 1 / 2021$ | $6 / 30 / 2022$ | $7 / 15 / 2021$ | $6 / 30 / 2022$ |
| $7 / 1 / 2020$ | $6 / 30 / 2021$ | $9 / 1 / 2020$ | $6 / 30 / 2021$ | $6 / 25 / 2021$ | $6 / 30 / 2021$ |
| $1 / 1 / 2020$ | $6 / 30 / 2020$ | $10 / 15 / 2019$ | $6 / 30 / 2020$ | $6 / 1 / 2020$ | $6 / 30 / 2020$ |

- Bid Date: 6/20/2021 • Award Date: 7/10/2021 • Project Dates: 8/1/2021-4/30/2022


## POLL QUESTION - answer

| Registration History Contractor A |  | Registration History Contractor B |  | $\underset{\text { tract }}{\mathrm{Re}}$ tration Histr |
| :---: | :---: | :---: | :---: | :---: |
| Effective Date | Expiration Date | Effective Date | Expiration Date | Effect $\square$ |
| 8/10/2021 | 6/30/2022 | 7/1/2021 | 6/30/2022 | 7/15/2021 |
| 7/1/2020 | 6/30/2021 | 9/1/2020 | 6/30/2021 | 6/25/7 |
| 1/1/2020 | 6/30/2020 | 10/15/2019 | 6/30/2020 | $6 / 1 / 20 z$ |

- Bid Date: 6/20/2021 • Award Date: 7/10/2021 • Project Dates: 8/1/2021-4/30/2022


## POLL QUESTION - answer



- Bid Date: 6/20/2021 • Award Date: 7/10/2021 • Project Dates: 8/1/2021-4/30/2022


## POLL QUESTION - answer



|  | Registration History - <br> Contractor B |
| :--- | :--- |
| Effective Date | Expiration Date |
| $7 / 1 / 2021$ | $6 / 30 / 2022$ |
| $9 / 1 / 2020$ | $6 / 30 / 2021$ |
| $10 / 15 / 2019$ | $6 / 30 / 2020$ |



- Bid Date: 6/20/2021 • Award Date: 7/10/2021 • Project Dates: 8/1/2021-4/30/2022

Register projects within 30 days of contract award, no later than the first day the contractor has workers employed upon the public works

Ensure projects are not split or separated into smaller work orders for the purpose of evading registration

Only work with contractors who are registered to bid on, be listed on bids for, or perform work on public works projects

## Notice Requirements

Include the notice of the requirements described in LC §1771.1(a) \& LC §1771.4(a)(1) in all bid invitations and public works contracts.

- A bid shall not be accepted, nor any contract or subcontract entered into without proof of the contractor or subcontractor's current registration to perform public work. (LC §1771.1(b))


## Notice Requirements

Include the notice of the requirements described in LC §1771.1(a) \& LC §1771.4(a)(1) in all bid invitations and public works contracts.

- The call for bids and contract documents shall specify that the project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. (LC §1771.4(a)(1))


## Notice Requirements

Post or require contractors to post jobsite notices on public works requirements (LC §1771.4(a)(2))

## Include required information about contractor

 registration in bid invitations, contracts, and subcontractsSpecify in bid and contract language that projects are subject to oversight by DIR

Require contractors to post jobsite notices on public works requirements

## Monetary Thresholds

## Prevailing Wage

 Registration>\$15,000
>\$1,000
>\$25,000
CADIR

## Prevailing Wage Rates

Obtain prevailing wage rates from DIR (LC sections 1773, 1773.2, and 1773.4)

## Prevailing Wage Rates

Ensure that public works contractors pay prevailing wages and are in compliance with public works laws, and report any suspected violations to the Labor Commissioner (LC §1726; Title 8, CCR §16100)
*Except for public works projects of one thousand dollars $\mathbf{( \$ 1 , 0 0 0 )}$ or less
(LC §1771)

## Prevailing Wage Rates

Withhold and retain all amounts required to satisfy the civil wage and penalty assessment (LC §1727(a))

Obtain prevailing wage rates from DIR (or request a wage or coverage determination)

Ensure contractors and subcontractors are paying prevailing wage, and report violations to the Labor Commissioner's Office

Withhold and retain all amounts required to satisfy civil wage and penalty assessment

## Enforcement

Labor Code §1773.3, §1771.1(j)

## Labor code §1773.3

Penalties shall be assessed against awarding bodies for the following (LC § 1773.3(c)(1)):

- Failing to timely submit project registration information;
- Entering into a contract with an unregistered contractor; or
- Allowing an unregistered contractor to engage in the performance of any public work

Civil Penalty
Subject to penalties of $\$ 100$ for each day in violation of either requirement, not to exceed an aggregate penalty of $\$ 10,000$ per project

## Labor code §1773.3

Penalties shall also be assessed against an awarding body when final payment was made, and it is later discovered that an unregistered contractor worked on the project. (LC §1773.3(d))

Civil Penalty
Subject to penalties of $\$ 100$ for each full calendar day of noncompliance, for a period of up to 100 days, for each unregistered contractor or subcontractor.

## POLL QUESTION \#2

## PENALTY CALCULATION

The Labor Commissioner's Office investigates a project and determines that there were two subcontractors, Contractor A and Contractor B, who performed work for ten days each without being registered.

According to Labor Code 1773.3, how much in penalties can be assessed against the awarding body?

## POLL QUESTION - answer <br> PENALTY CALCULATION

2 unregistered subcontractors x 10 days x $\$ 100=\$ 2000$

LC 1773.3: Subject to penalties of $\$ 100$ for each full calendar day of noncompliance, for a period of up to 100 days, for each unregistered contractor or subcontractor.

## Awarding Body "Debarment" (LC §1773.3(f)):

"Whenever the labor commissioner determines that an awarding agency has willfully violated the requirements of this section or chapter with respect to two or more public works contracts or projects in any 12-month period, the awarding agency shall be ineligible to receive state funding or financial assistance for any construction project undertaken by or on behalf of the awarding agency for one year..."

## Stop Order (LC §1771.1(j))

Labor commissioner shall issue a stop order when unregistered contractor performs work

- Stop order prohibits use of unregistered contractor or subcontractor until registered
- Affected workers of unregistered contractor entitled to regular hourly pay of prevailing wage rate (not to exceed 10 days) for work stoppage
- Does not apply to other registered contractors or subcontractors on same public works project

Contractor's failure to observe stop order is a misdemeanor. (LC §1771.1(k))

## AWARDING BODY RESPONSIBILITIES LETTER

STATE OF CALIFORNIA

Gavin Newsom, Governor

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


AWARDING BODY RESPONSIBILITIES

Sent via email only

Dear Awarding Body,
The Labor Commissioner's Office (LCO) is statutorily obligated to ensure compliance with Public Works laws. This letter is a tool to ensure that awarding bodies understand their legal obligations and potential consequences when awarding a project subject to California's Prevailing Wage Laws ("PWL") (Lab. Code $\S \S 1720-1861$ ). For all projects which require the payment of prevailing wages awarding bodies ${ }^{1}$ must do the following ${ }^{2}$ :


## Thank you for attending!

PWC-100 system issues?
Labor Commissioner's Office - publicworks@dir.ca.gov

- Provide screenshots and contact information for user experiencing the issues
- Identify the system in the subject line
- PWC-100 (Project Registration)

The work we are contracting out 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 we have contracted is innovative and not found in any scope of work provision, are prevailing wages required?
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.)

## Public Works' website services are being upgraded

Legacy Systems


## Unified Modernized Portal



## Upgrades to Public Works' website services to be released on a rolling basis

## Key Improvements

- Single, unified, and reliable system with a modern interface for awarding bodies and contractors
- Dashboard to view, manage, and register projects all in one place
- Simplified certified payroll reporting, reducing redundant data entry
- Instant and comprehensive prevailing wage lookup with enhanced download capabilities


## Unified Modernized Portal



For awarding bodies, a simplified project registration process


## Replacing

## PWC-100

"Anyone who doesn't have any experience with DIR would be able to use it."

- Beta user

Simplified fields for registering a project

Ability to add more than two site addresses

Ability to add prime and subcontractors to projects

For awarding bodies, a new dashboard for managing your projects


## Replacing

## PWC-100

"I liked the dashboard best, it makes it easy to see your projects"

- Beta user

View, sort, and filter all past and present projects

Track the status of ongoing projects

Update project details

For everyone, the ability to collaborate with your whole team


## Updated

## Process

"I like that I can delegate specific tasks to others"

- Beta user

No sharing of account logins required

Invite your whole team to create accounts linked to your organization

Easily assign and manage permissions and roles

## Upcoming "how-to" training webinars

## Awarding Bodies

- Creating a user account
- Linking your email to your organization account
- Registering public works projects
- Updating your public works projects


## Contractors

- Creating a user account
- DIR registration and renewal
- Linking to public works projects
- Submitting payroll records (eCPRs)


## And a new Support Center for an easy transition



A centralized Support Center web page with solutions for any issues you may encounter

Training materials including user guides, live webinars, instructional videos, and FAQs

## 2024 <br> PREVAILING WAGE LABOR COMPLIANCE WEBINAR

KNOW YOUR DUTIES AND RESPONSIBILITIES UNDER THE LAW

## DISCLAIMER

## California Department of Industrial Relations

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.

- PRE-QUALIFICATION OF CONTRACTORS
- LABOR COMMISSIONER MODEL QUESTIONNAIRE


## POLL QUESTION

As an Awarding Body, do you currently have a Pre-Qualification of Contractors system in place?
a) Yes
b) No


"Individual commitment to a group effort -- that is what makes a team work, a company work, a society work, a civilization work."

- Vince Lombardi


## Why Pre-Qualify Contractors?



## Purpose

- Contractors seeking to BID on Public Works Projects can be Pre-Qualified (PCC 20101)
- Stops Bad Actors BEFORE a contract is awarded and stops repeat violators from continuing to profit from wage theft


## Value

- Allows Awarding Bodies to be Proactive
- Contracts are awarded only to Responsible Bidders
- Avoids Awarding Body

Citations and Debarment

## POLL QUESTION

What is a benefit of using the Labor Commissioner's Model Questionnaire?
a) It is a complete pre-qualification packet that meets all the requirements of the law
b) It can be easily adopted and customized to an awarding bodies needs
c) It can be used to enhance whatever pre-qualification system an awarding body already has in place
d) All of the above

## Labor Commissioner's Model Questionnaire

EASY AS 1-2-3
INSTRUCTIONS FOR AWARDING BODIES



## LABOR COMMISSIONER'S MODEL QUESTIONNAIRE

| Contractor |
| :---: |
| Completes the Pre-Qualification questionnaire |
| Submits the Pre-Qualification Questionnaire |
| and financial statements |
| Provides any additional <br> information/documentation |

## Awarding Body Reviews Section C

 "Essential Criteria"Contractor is immediately DISQUALIFIED If: Any answer to questions 1 through 6 is "NO" Any answer to questions 7 through 13 is "YES"

Awarding Body Reviews Section D
"Prequalification Criteria Questions"

Contractor is PRE-QUALIFIED if: All of the Contractor's responses to questions

1 through 21 are " 0 "

## POLL QUESTION

Can a contractor that is not registered with DIR as a public works contractor for the current fiscal year be pre-qualified?
a) Yes
b) No

## C. ESSENTIAL_CRITERIA OUESTIONS

1. Does your firm possess a valid and current California Contractor's or other professional license as required by law for the projector projects for which it intends to submit abid?
2. Is your firm registered with DIR as a Public Works Contractor for the current fiscal year?
3. Does your firm have a liability insurance policy with a policy limit of at least $\$ 1,000,000$ per occurrence and $\$ 2,000,000$ aggregate?
4. Does your firm have current workers' compensation insurance policy as required by the Labor Code or is your firm legally selfinsured pursuant to Labor Code section 3700 et. seq.?
5. Have you attached your firm's latest copy of reviewed or audited financial statements with accompanying notes and supplemental information? *

NOTE: Financial statements that are not either reviewed or audited are not acceptable. A letter verifying availability of a line of credit may also be attached; however, it will be considered as supplemental information only and is not a substitute for the required fimancial statements.
6. Have you attached a notarized statement from an admitted surety insurer (approved by the California Department of Insurance) authorized to issue bonds in the State of California, which states that: (a) your current bonding capacity is sufficient for the project for which you seek pre-qualification if you are seeking prequalification for a single project; or valid for a year if you are seeking pre-qualification valid for a year; and (b) your current available bonding capacity? ${ }^{* *}$

NOTE: Notarized statement must be from the surety company, not an agent or broker.

## Circle Answer

## Yes No

Yes
No

Yes No

Yes No

Yes No

Yes No



## F. CERTIFICATION

Questionnaires submitted by corporations must be signed with the legal name of the corporation, followed by the name of the state of incorporation and by the signature and designation of the chairman of the board, president or any vice president, and then followed by a second signature by the secretary, assistant secretary, the chief financial officer or assistant treasurer. All persons signing must be authorized to bind the corporation in the matter. The name of each person signing shall also be typed or printed below the signature. Satisfactory evidence of the authority of each officer signing on behalf of a corporation shall be fumished.
Questionnaires submitted by partnerships must fumish the full name of all partners and must be signed in the partnership name by a general partner with authority to bind the partnership in such matters, followed by the signature and designation of the person signing. The name of the person signing shall also be typed or printed below the signature.

Each person signing below makes the following representations under penalty of perjury:
The submitter of the foregoing answers to the questionnaire has read the same and the matters stated therein are true to the best of his or her own personal knowledge. This information is provided for the purpose of qualifying to bid on the Project, and any individual, company or other agency named herein is hereby authorized to supply the awarding body with any information necessary to verify the prospective bidder's statements. By signing below, the submitter and the named contractor hereby grant permigsion to the [Public Entity] to contact any or all of the above listed persons or entities to confirm facts or otherwise investigate the above facts and issues.
The submitter understands that any statement which is proven to be false shall be grounds for immediate disqualification from bidding on the Project. The submitter whose signature appears below represents and warrants that he or she has authority to bind the named contractor.
I, $\qquad$ (Name), the undersigned, am the (Title), with the authority to act for and on behalf of
$\qquad$ (Contractor Entity Name), declare under penalty of perjury under the laws of the State of Califomia that the foregoing information provided in this Pre-qualification Questionnaire is true, full, and corract

I understand that making a false statement may result in disqualification from bidding on any public works project, registering as a Public Works Contractor with the Department of Industrial Relations, and may be grounds for termination of a public works contract.

Executed on this: $\qquad$ day of (Couth/Yaxr) at $\quad$ (Citr$/$ Stato)

Name of Contractor Representative:

$\qquad$
Signature of Contractor Representative: $\qquad$


## Important Notes

## Be Proactive

- Purpose of pre-qualifying is to make sure bad actors are stopped BEFORE a contract is awarded and repeat violators do not profit from wage theft


## Level the Playing Field for Law Abiding Contractors

- Labor Commissioner Model Questionnaire is a complete pre-qualification packet that can be easily adopted and customized to an Awarding Bodies needs AND can be used to enhance whatever system an Awarding Body already has in place

Avoid Awarding Body Citations and Debarment

## WWW.DIR.CA.GOV



Public works in general means:

- Construction, alteration, demolition, installation, or repair work done under contract and paid in whole or in part out of public funds.
- It can include preconstruction and post-construction activities related to a public works project.
- For a full definition of public works refer to Labor Code section 1720.

Anyone working on a public works project must be paid prevailing wages as determined by DIR. Projects of $\$ 30,000$ or more must meet DIR's apprenticeship requirements. Failure to comply with public works requirements can result in civil penalties, criminal prosecution, or both.
public agencees or project

Resources

- Public Works Pre-Qualification of Contractors
- Apprenticeship Requirements
- Certified Payroll Reporting
- Enforcement of Public Works Law
- File a Public Works Complaint
- Labor Compliance Programs
- Prevailing Wage Requirements
- More Resources


## Have Questions?

## Contact Us:

Publicworks@dir.ca.gov
Subject Line:
Pre-Qualification of

## Contractors

Thank You

## Prevailing wage LABOR COMPLIANCE SEMINAR <br> Contractor Responsibilities

Public Works
California Labor Commissioner's Office
Department of Industrial Relations
June 6, 2024

## 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.

## Contractor Responsibilities

## Prevailing Wage

Contractor
Registration

## Apprenticeship

$$
\begin{gathered}
>\$ 15,000 \\
M \\
>\$ 25,000 \\
\text { CADIR }
\end{gathered}
$$

$$
\geq \$ 30,000
$$

## Who is a Public Works Contractor?



## Public Works Project



## Polling Question 1

Prevailing wage requirements apply on public works projects exceeding what amount?
a) $\$ 1,000$
b) $\$ 15,000$
c) $\$ 25,000$
d) $\$ 30,000$
\$1,000.00
$\$ 800.00$
$\$ 600.00$
$\$ 400.00$
$\$ 200.00$

## Pay Prevailing Wages




N:
Cal/OSHA -
abor Law $\vee \quad$ Saf

key respor Public Works Projects

Public

## Determinations

- List of Charter Cities That Meet Requirements of Senate Bills 7, 829, and 922 因
- Prevailing wage determinations, general
- Prevailing wage determinations, residential
- Prevailing wage rates below the California minimum wage, $12 / 16 / 2022$ 因


## Navigating Website Wage Determination

## Director's General Prevailing Wage Determinations

- Public Works Modernization Project Case for Change
- Upgrades to DIR's Public Works Website Services
- 2024-1 General prevailing wage terminations menu (journeyman)

Most recent iournevman wacs determination nublished Most recent annrentice wane Sotermination_nublished Journevman wage determinat ans 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?


## Superseded prevailing wage determinations

# General prevailing wage determinations <br> made by the Director of Industrial Relations <br> Pursuant to California Labor Code Part 7, Chapter 1, Article 2, Sections 1770, 1773, and 1773.1 

Index: 2023-2 (Superseded)
Applies to projects advertised for bid: 9/1/2023-3/2/2024
General prevailing wage determinations
General prevailing apprentice schedules
Index: 2023-1 (Superseded)
Applies to projects advertised for bid: 3/4/2023 - 8/31/2023
General prevailing wage determinations
General prevailing apprentice schedules
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

## 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 <br> the basic trades that apply to most counties in <br> California. |
| :--- | :--- | :--- |
| Step two (A) | Northern California | If you have not found your craft in step one, check <br> this area to see if your craft's determination is one <br> of Northern California's basic trades. |
| Step two (B) | Southern California | If you have not found your craft in step one, check <br> this area to see if your craft's determination is one <br> of Southern California's basic trades. |
| Step three | San Diego | After following steps one and two (B), examine this <br> 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. | 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
$\left.\left.\begin{array}{|l|l|l|}\hline & & \begin{array}{c}\text { Holidays, } \\ \text { scope of work, } \\ \text { travel \& }\end{array} \\ \text { subsistence }\end{array}\right) \begin{array}{c}\text { Predermination } \\ \text { increase }\end{array}\right]$

## Scope, Holiday, Travel, Increases

Holidays, scope of work, travel \& subsistence

Predetermined
increase

| Select One $\vee$ | No increase * |
| :--- | :--- |
| Select One |  |
|  | Increase |
| Holidays |  |
| Scope |  |


| Alameda | Increase |
| :--- | :--- |
| Alpine | Increase |



## Work Classification Overlap (Incidental Work)



## 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: <br> September 1, 2022 <br> aid for work performed after this date has been determined. If work will extend past this date, the new rate porated 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:

| Classification (Journeyperson) | Basic Hourly Rate | Health and Welfare | Pension | Vacation and Holiday a | Training | Other b | Hours | Total Hourly Rate | Daily Overtime Hourly Rate $(11 / 2 X)^{c}$ | Saturday Overtime Hourly Rate $(11 / 2 X)^{c}$ | Sunday/ <br> Holiday <br> Overtime <br> Hourly 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 |



CALIFORN'

## Polling Question 2

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:

Aunust 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


## Localities:

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

| Classification (Journeyperson) | Basic Hourly Rate | $\begin{gathered} \hline \text { Health } \\ \text { and } \\ \text { Welfare } \end{gathered}$ | Pension | Vacation and Holiday a | Training | Other <br> b | Hours | Total Hourly Rate | Daily Overtime Hourly Rate $(11 / 2 X)^{c}$ | Saturday Overtime Hourly Rate $(11 / 2 X)^{c}$ | Sunday/ Holiday Overtime Hourly 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 |

## Polling Question 3

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
b) 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

## Polling Question 4

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) ${ }^{\text {\# }}$

## 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 <br> Hour Rat $\epsilon$ | Health and Welfare | Pension | Vacation and Holiday a | Training | Other b |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Classification (Journeyperson) |  |  |  |  |  |  | Daily Overtime Hourly Rate $(11 / 2 X)^{c}$ | Saturday Overtime Hourly Rate $(11 / 2 X)^{c}$ | Sunday/ Holiday Overtime Hourly Rate (2 X) |
| Drywall Installer/Lather | \$47.2 | \$8.00 | \$5.66 | \$7.31 | -\$0.67 | \$2.77 | \$95.27 | \$95.27 | \$118.89 |



## Basic Hourly Rates

| Classification (Journeyperson) | Basic Hourly Rate | Health and Welfare | Pension | Vacation and Holiday a | Training | Other <br> b | Hours | Total Hourly Rate | Daily Overtime Hourly Rate $(11 / 2 X)^{c}$ | Saturday Overtime Hourly Rate $(11 / 2 X)^{c}$ | Sunday/ Holiday Overtime Hourly 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 <br> Hourly <br> Rate |  | Basic <br> Hourly <br> Rates | Employer <br> Payments |  |  |
| :---: | :--- | :--- | :--- | :--- | :--- |
| 47.24 | 47.24 | $+24.41=$ | 71.65 | Total Hourly Rate |  |

## Polling Question 5

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

## 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

Pay prevailing wage on any project receiving $>\$ 1,000$ in public funds

Find prevailing wage determinations, set by the Director's Office, on the web for each craft/classification

Be sure to include any predetermined increases to the rate, fringe benefits, and overtime rates as required by law

## Contractor Responsibilities

## Prevailing Wage

Contractor Registration

Apprenticeship

$$
\begin{gathered}
>\$ 15,000 \\
M \\
>\$ 25,000 \\
\text { CADIR }
\end{gathered}
$$

$$
\geq \$ 30,000
$$

## Register as a Public Works Contractor



|  | BID |  |
| :--- | :--- | :--- |
|  |  | AMT |
|  | General Contractor | $\$ \$ \$$ |
|  | Subcontractor 1 | $\$ \$$ |
|  | Subcontractor 2 | $\$ \$$ |
|  | Total |  |



Labor Codes(s) 1725.5 \& 1771.1

## Fiscal Periods for Registrations

- Users can register/renew to be active during one, two, or three fiscal periods
- Fiscal periods cover periods from July 1 thru June 30
- \$400 non-refundable fee per fiscal period


Navigating Website: Contractor Registration

DíR: Difisu
EST. 1927 Ir


Search $Q$ $\square$
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ograms
Cal/OSHA -
Labor Law $\vee \quad$ Safety \& Health $\vee \quad$ Workers' Comp $\vee \quad$ Self Insurance $\vee \quad$ Apprenticeship
Public Works / Public Works Contractors $/$ Contractor Registration

## Contractor Registration

## Who Is Eligible to Register?

Contractors must meet the following requirements to register:

- Have workers' compensation coverage for any employees and only use subcontractors who are registered public works contractors.
- Have Contractors State License Board license if applicable to trade.
- Not have any delinquent unpaid wage or penalty assessments owed to any employee or enforcement agency.
- Not be under federal or state debarment.
- Not be in prior violation of this registration requirement once it becomes effective. However, for the first violation in a 12-month period, a contractor may still qualify for registration by paying an additional nenaltv.


## Register or Renew

Public works contractors can register or renew for one, two, or three fiscal years (July 1-June 30) for a fee of $\$ 400, \$ 800$ or $\$ 1,200$

## Input Label <br> County <br> Search Reset



Crafts (Select all that apply)
$\square$ Asbestos
$\square$ Bollermaker-Blacksmith
$\square$ Brlcklayer/Brlck Tender
$\square$ Carpenter
$\square$ Carpet, LInoleum, Resillent Tlle Layer
$\square$ Cement Mason
$\square$ Consultant
$\square$ Driver (On/Off Haulling)
$\square$ Drywall
Installer/Lather/FInlsher
$\square$ Electrical Utillity
$\square$ Electrclan

- Elevator Constructor
$\square$ Fleld Surveyor
$\square$ General Bullding
$\square$ General Englneering
$\square$ Glazler
$\square$ Inspector/Fleld Solls, Material Tester
$\square$ Iron Worker

Registrations
Search Results: 1 found
Showing Page 1 of 1
Prevlous Next

## Print PDF E Export th

■ ABC Contractors Co.

| Detail: |  |
| :--- | :--- |
| Status: | Active |
| CSLB Number: | 654321 |
| Legal Entity Type: | Corporatlon |
| Mailing Address: | ABCD Drive |
|  | Long Beach |
|  | CA 99999 |
| County: | Los Angeles |
| Craft: | Laborer |
| Email: | JDoe@abccontractorcom |

DBA
Name
ABC Construction Co.
$\square$ mm/dd/yyyy

## Polling Question 6

I was a sole proprietor when I first obtained my contractor registration, however, I have since incorporated my business.
I should:
a) Renew the existing contractor registration for the sole proprietorship
b) Update the legal entity name on my existing contractor registration for the sole proprietorship
c) Obtain a new contractor registration for the corporation

## Public Works Contractor Registration Legal Entities




Limited Liability Company


Corporation

- Public Works Contractor Registrations are valid per legal entity
- A transition to different legal entity type will require a new registration


## Polling Question 7

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



## Form A-1-131

## NOTICE TO PUBLIC ENTITY

For Privacy Considerations
Fold back along dotted line prior to copying for release to general public (private persons).
(Paper Size then $8-1 / 2 \times 11$ inches)


## Form A-1-131

Cliz

California Industrial Relations

PUBLIC WORKS PAYROLL REPORTING FORM

Page $\qquad$ of $\qquad$
NAME OF CONTRACTOR:
-




PROIECT OR CONTRACT NO.: PROJECT AND LOCATION:
$\mathrm{S}=\mathrm{StRAIGHT}$ time $\mathrm{o}=$ overtime SDI = STATE DISABIIITY 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 MUST be completed (See reverse side)


## eCPR (XML File)

Public Works Certified Payroll Reporting Form

## Certification under penalty of perjury:

"I, , the undersigned, am the
(position in business) with the authority to act for and on behalf of
(name of business and/or
 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


## eCPR (online form)

## Public Works Certified Payroll Reporting Form

## Certification under penalty of perjury:

I, , the undersigned, am the (position in business) with the authority to act for and on behalf of
(position in business) with the authority to act for and on behalf of
submitted and consisting of certified payroll records for the week ending
(name of business and/or contractor), certify which depict the perjury that the recoras or copien are the origin certify this on or true. full, and correct 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. certify this on


Register your company with DIR to bid on, be listed on bids for, or perform work on public works projects

Maintain active registration for every fiscal period you will engage in any of the above activities

Comply with all certified payroll record requirements

## Contractor Responsibilities

## Prevailing Wage

Contractor Registration

$$
>\$ 15,000
$$

M
>\$25,000 CADIR

## Apprenticeship

$$
\geq \$ 30,000
$$



## Polling Question 8

How can you confirm if a craft is apprenticeable?
a) Look at the holiday provisions for your craft
b) There is a hashtag/pound (\#) symbol next to the name of the craft on the wage determination
c) There is a double asterisk ( ${ }^{* *}$ ) next to the expiration date on the wage determination

## 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 Payments:

| Classification (Journeyperson) | Basic Hourly Rate | Health and Welfare | Pension | Vacation and Holiday a | Training | Other b | Hours | Total Hourly Rate | Daily Overtime Hourly Rate $(11 / 2 X)^{c}$ | Saturday Overtime Hourly Rate $(11 / 2 X)^{c}$ | Sunday/ <br> Holiday <br> Overtime <br> Hourly 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 |



CALIFORNT

## Contract Award Information

PUBLIC WORKS CONTRACT AWARD INFORMATION
Contract award intormation must be sent to your Apprenticeship Committee it you are approved to train. If you are not approved to train, you must send the information (which may be this form) to ALL applicable Apprenticeship Committees in your craft or trade in the area of the site of the public work. Go to: http://www.dir.ca.gov/databases/das/pwaddrstart.asp for information about programs in your area and trade. You may also consult your local Division of Apprenticeship Standards (DAS) office whose telephone number may be found in your local directory under California, State of, Industrial Relations, Division of Apprenticeship Standards.

Do not send this form to the Division of Apprenticeship Standards.

| NAME OF YOUR COMPANY | CONTRACTOR'S STATE LICENSE NO |
| :--- | :---: |
| MALLING ADDRESS- NUMBER \& STREET, CITY, ZIP CODE |  |
| NAME \& ADDRESS OF PUBLIC WORKS PROJECT | AREA CODE \& TELEPHONE NO. |
|  | DATE YOUR CONTRACT EXECUTED |
| NAME \& ADDRESS OF PUBLIC AGENCY AWARDING CONTRACT | DATE OF EXPECTED OR ACTUAL START OF PROJECT |

This is not a request for dispatch of apprentices.
Contractors must make a separate request for actual dispatch, in accordance with Section 230.1(a) California Code of Regulations

## Check One Of The Boxes Below

1. $\square$ We are already approved to train apprentices by the
Apprenticeship Committee. We will employ and train under their Standards. Enter name of the Committee
2. $\square$ We will comply with the standards of Apprenticeship Committee for the duration of this job only. Enter name of the Committee
3.We will employ and train apprentices in accordance with the California Apprenticeship Council regulations, including § 230.1 (c) which requires that apprentices employed on public projects can only be assigned to perform work of the craft or trade to which the apprentice is registered and that the apprentices must at all times work with or under the direct supervision of journeyman/men.



## Public Works Apprenticeship Requirements

Division of Apprenticeship Standards
All public works contracts valued at $\$ 30,000$ or more carry an obligation to hire apprentices, unless the craft or trade does not require the use of apprentices, as indicated in the corresponding prevailing wage determination. This duty applies to all contractors and subcontractors on a project, even if their part of the project is less than $\$ 30,000$.

The Division of Apprenticeship Standards (DAS) provides assistance to contractors who need to
State of California
Department of
EST. 1927
Industrial Relations
Funding
Funding Resources
Equal Representation in Construction
Apprenticeship Grant

```
Search
```



## Minimum Apprenticeship Ratio



LC 1777.5
CCR 230.1

## Minimum Apprentice Hours Required Example

|  | \#Craft 1 | \#Craft 2 |
| :--- | :---: | :---: |
| Journeyman ST Hours Worked | 1000 | 500 |
| Journeyman OT Hours Worked | 500 | 200 |

Minimum Apprentice Hours Required


All apprentice hours count towards the minimum ratio requirement

## Request for Dispatch of an Apprentice


$\qquad$
$\qquad$
Total Contract Amount. $\qquad$ Sub-Contract Amount $\qquad$

Name of the Project: $\qquad$
Address: $\qquad$

Dispatch Request Information:
Number of Apprentice(s) Needed: $\qquad$ Craft or Trade: $\qquad$
Date Apprentice(s) to Report: $\qquad$ (72 hrs. notice required) Timeto Report: $\qquad$
Name of Person to Report to: $\qquad$
Address to Report to: $\qquad$ -

You may use this form to make your written request for the dispatch of an apprentice. Requests for dispatch must be in writing and submitted at least 72 hours in advance (excluding weekends and holidays) via first class mail, fax or email. Proof of submission mav be required. Please take note of California Code of Regulations, Title 8, § 230.1 (a) for all applicable requirements regarding apprenticeship requests and/or
visit https://www.dir.ca.gov/das/PublicWorksForms.htm DAS 142 (Revised 10/18)


## Polling Question 9

A Request for Dispatch (Form DAS 142) is transmitted to an apprenticeship committee on Friday at 8am requesting an apprentice on Monday at 8am. How many hours would not count toward the hours of notice the committee was given?

| Friday | Saturday | Sunday | Monday |
| :---: | :---: | :---: | :---: |
| 8am |  |  | $8 a m$ |

a) 24 hours should not count (Saturdays are excluded)
b) 48 hours should not count (Saturdays, Sundays, and holidays are excluded)
c) All hours should count (Saturdays, Sundays, and holidays are included)

## At Least 72 Hours' Notice Required



## Polling Question 10

How can you confirm that a worker is a DAS registered apprentice?
a) Using the DAS apprentice search database
b) Ask the worker if they are an apprentice and take their word for it
c) An inexperienced worker is an apprentice by default

## Apprenticeship Status and Safety Training Certification

Apprenticeship status certification for public works



The search string is a total of nine letters and numbers (no characters ', - , etc): the first four letters of the last name (use spaces to make four letters if the last name is shorter than four letters), the first letter of the first name and the last four digits of the social security number (LLLLF9999). Letters can be entered as lower or upper case.

Examples:
Uncle Sam ssn 123-45-6789 would be entered as Sam U6789
Goddess Minerva ssn 123-45-5555 would be entered as MineG5555
Richard Al-Ham ssn 111-44-1111 would be entered as AlhaR1111
Robert O'Brian ssn 111-22-3333 would be entered as OBriR3333
James McHenry ssn 555-66-1234 might be entered as McHeJ1234 or Mc HJ1234
https://www.dir.ca.gov/das/appcertpw/AppCertSearch.asp

## DEPARTMENT OF INDUSTRIAL RELATIONS DIVISION OF APPRENTICESHIP STANDARDS

P.O. Box 420603

San Francisco, CA 94142-0603

To whom it may concern:
The Division of Apprenticeship Standards hereby certifies that, according to transactions recorded as of August 25, 2019, the below named individual is registered with the State of California as an apprentice in the occupation during the period between the start date and the end date or completion (comp) date listed below. If there is no end date for an occupation, the Apprentice is currently registered in that occupation. Occupations marked with an asterisk $\left({ }^{*}\right)$ are certified as apprenticeable occupations for Public Works projects. For individuals who have completed an annroved 20 hour safetv training, the course and the date comnleted are listed below.
Name
Mason Smith
Mason Smith


If you have any questions please contact your local Division of Apprenticeship Standards ottice.


Glen Forman
Deputy Chief

## Polling Question 11

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

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## 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 Payments: $\quad$|  | Training |
| :--- | :--- | :--- |

| Classification <br> (Journeyperson) | Basic <br> Hourly <br> Rate | Health <br> and <br> Welfare | Pension | Vacatio <br> and <br> Holida) <br> a |
| :--- | :---: | :---: | :---: | :---: |
| Drywall Installer/Lather | $\$ 47.24$ | $\$ 8.00$ | $\$ 5.66$ | $\$ 7.31$ |




## 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


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

If you have any questions please contact the Division of Apprenticeship Standards. trainingfund@dir.ca.gov


Glen Forman
for the Secretary, California Apprenticeship Council

Notify apprenticeship committees of contract award information

Employ apprentices in at least the minimum ratio, requesting dispatch if needed

Pay required training fund rate to the applicable committee(s) or CAC

## Contractor Responsibilities

## Prevailing Wage

Contractor Registration
>\$15,000

M
>\$25,000 CADIR

Apprenticeship

$$
\geq \$ 30,000
$$



## Contractor Responsibilities

## Prevailing Wage

## Contractor Registration

## Apprenticeship


$\leq \$ 300$ Per
Calendar Day of
Noncompliance
$\xlongequal{\text { STATE OF CALIFORNIA }}$

515 Clay Street, Ste. 1302
Tel: (510) 285-2118 Fax: (510) 285-1365

## Lilia García-Brower

California Labor Commissioner

October 28, 2022

## Contractors' Responsibilities, Statutory Obligations

## Dear Contractor,

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 $\S \S 1720-1861$.) For all projects requiring payment of prevailing wages, all contractors ${ }^{1}$ 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 here. (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 $\mathbf{\$ 1 . 3} \mathbf{~ m i l l i o n}$ in kickbacks and wage theft by its crew leader, covering 27 workers. The LCO

[^2]Iso recovered $\$ 2.6$ mimin 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 $\$ \mathbf{2 0 0}, \mathbf{0 0 0}$ 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 journeypersons or registered appentices, and $30-60 \%$ of all skilled journeypersons must be graduates of an up to $\$ 10,000$ per month of work performed and debarment. More information on STW may be found here.

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 FAQs on our website for more information regarding PWL requirements. Contact our Public Works Unit at publicworks@dir.ca.gov 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,


Lilia García-Brower
California Labor Commissioner

## Thank you for attending!

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

- 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.)


## Public Works' website services are being upgraded

Legacy Systems


## Unified Modernized Portal



## Upgrades to Public Works' website services to be released on a rolling basis

## Key Improvements

- Single, unified, and reliable system with a modern interface for awarding bodies and contractors
- Dashboard to view, manage, and register projects all in one place
- Simplified certified payroll reporting, reducing redundant data entry
- Instant and comprehensive prevailing wage lookup with enhanced download capabilities


## Unified Modernized Portal



For contractors, a new dashboard for managing your projects


## Replacing

## PWCR

"I love that it has all my projects clearly listed"

- Beta user

View, sort, and filter all past and present projects

Track the status of ongoing projects

Upload certified payrolls for each project

For contractors, a new dashboard for managing your employees


Sample employee dashboard

## Replacing

## eCPR

"Being able to import employees from excel will save a lot of time"

- Beta user

Save employee profiles for eCPR submission

Group employees for batch submissions

Manage and track employee classifications

For contractors, a simplified system for submitting certified payrolls


## Replacing

## eCPR

"I don't need to go to another website to submit eCPRs"

- Test user

View and edit past payroll submissions

Duplicate past
submissions for easy entry

Faster file upload speeds

For everyone, the ability to collaborate with your whole team


## Updated

## Process

"I like that I can delegate specific tasks to others"

- Beta user

No sharing of account logins required

Invite your whole team to create accounts linked to your organization

Easily assign and manage permissions and roles

## Upcoming "how-to" training webinars

## Awarding Bodies

- Creating a user account
- Linking your email to your organization account
- Registering public works projects
- Updating your public works projects


## Contractors

- Creating a user account
- DIR registration and renewal
- Linking to public works projects
- Submitting payroll records (eCPRs)


## And a new Support Center for an easy transition



A centralized Support Center web page with solutions for any issues you may encounter

Training materials including user guides, live webinars, instructional videos, and FAQs


[^0]:    * Does not apply to projects of $\mathbf{\$ 2 5 , 0 0 0}$ or less when the project is for construction, alteration, demolition, installation, or repair work or for projects of $\$ 15,000$ or less when the project is for maintenance work

[^1]:    * Does not apply to projects of $\mathbf{\$ 2 5 , 0 0 0}$ or less when the project is for construction, alteration, demolition, installation, or repair work or for projects of $\$ 15,000$ or less when the project is for maintenance work

[^2]:    ${ }^{1}$ A contractor is any person or company who bids or contracts to work on a public works job. A

