

CALIFORNIA LABOR COMMISSIONER'S OFFICE • FOUNDATION FOR FAIR CONTRACTING PRESENT

PREVAILING WAGE/LABOR COMPLIANCE WEBINAR

Time	ltem	Speaker(s)
3:00 AM – 8:30 AM	Welcome and Opening Remarks	Jesse Jimenez
	DIR New System Q & A	
8:30 AM – 12:00 PM	Breakout Room 1: Awarding Body	DLSE Staff
	Breakout Room 2: Contractor	
8:30 AM – 9:30 AM	Labor Commissioner's Office - Legal Updates	Lance Grucela
	Department of Industrial Relations	
9:30 AM – 10:00 AM	 Labor Enforcement Task Force PW Strategic Enforcement Presentation 	Dominic Forrest
10:00 AM – 10:15 AM	Break	
10:15 AM – 11:00 AM	Office of the Director – Legal	Matthew Kim
	 Upcoming Bills/Legislation 	
11:00 AM – 12:00 PM	Skilled and Trained Workforce Enforcement	Jeyde Cardenas
12:00 PM – 12:30 PM	Lunch	
12:30 PM – 2:30 PM	Breakout Room 1: Awarding Body Responsibilities/Pre-Qualification of Contractors Main Room: Contractor Responsibilities	Jorge Delgadillo/Susan Weaver
		Dana Kleifield/Eric
	Main Room. Contractor Responsibilities	Raktiprakorn
2:30 PM – 3:00 PM	Closing Remarks - Evaluations	Jesse Jimenez

Tuesday • July 9, 2024 • 8:00 a.m. - 3:00 p.m.

Prevailing Wage/Labor Compliance Webinar

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Welcome!



Getting started... Refer to your Confirmation Email for:

• Handout Location

https://www.ffccalifornia.com/registration-handouts

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- Troubleshooting Zoom
- Call-In Telephone Numbers/Meeting Codes





A Few Final Reminders...



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- 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

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REVOCATION OF CONTRACTOR REGISTRATION & AWARDING BODY CITATIONS

> PUBLIC WORKS, CALIFORNIA LABOR COMMISSIONER'S OFFICE DEPARTMENT OF INDUSTRIAL RELATIONS

DISCLAIMER

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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?



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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.

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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. <u>See, Labor Code Section 17771.1(j)(1)</u>

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 AB 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

Labor Enforcement Task Force





State of California Gavin Newsom Governor

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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.

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- 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



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.

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Homekey

A statewide effort to sustain and rapidly expand housing for persons experiencing homelessness or at risk of homelessness.

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



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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.

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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.





Hotline: 855-297-5322

Email: LETF@dir.ca.gov

www.dir.ca.gov/letf





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









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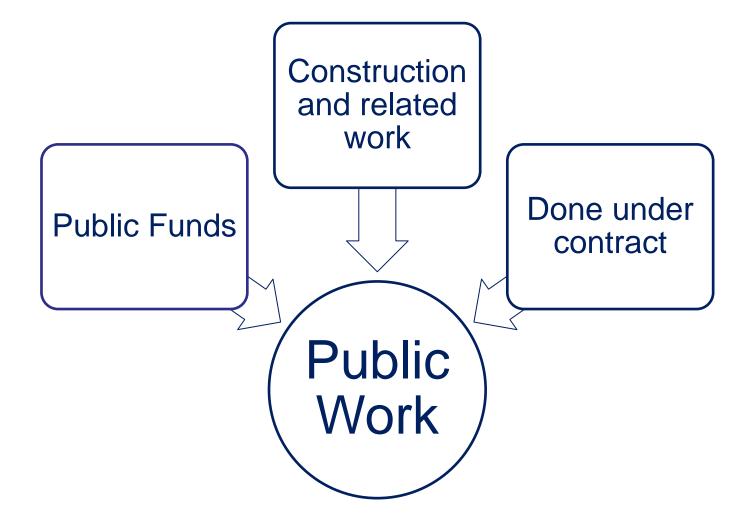


The Basic Definition: Labor Code Section 1720(a)(1) (a) As used in this chapter, "public works" means:

(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))

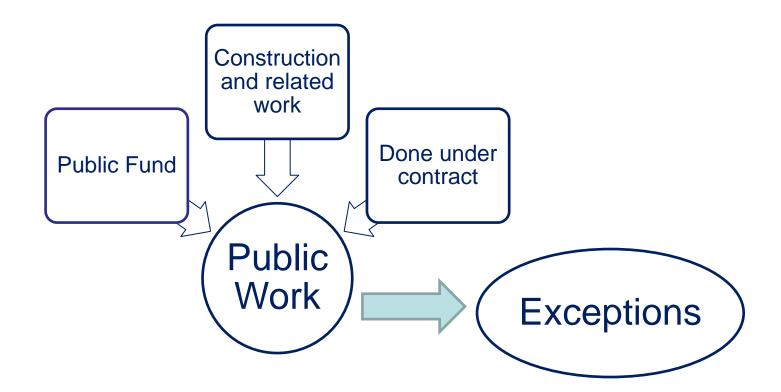
4.Fees, costs, rents, insurance or bond premiums, loans, interest rates, or other obligations that would normally be required in the execution of the contract, that are paid, reduced, charged at less than fair market value, waived, or forgiven

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 <u>AND</u> 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 **D**ETERMINATIONS

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 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.



Department of Industrial Relations (DIR)

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

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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 Requirements & Enforceable Agreements

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 **<u>BOTH</u>** 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")

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) <u>OR</u>
 - 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 <u>OR</u>
- 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.



Skilled Journeyperson

Graduated DAS-approved apprenticeship program OR

Graduated DOL-approved apprenticeship program

Count toward the 30-60% requirement On the job (OJT) experience equal to number of hours required to graduate DASapproved apprenticeship program



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

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

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

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 Requirement

Public Contract Code §2601

Graduation Percentage Requirement

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Applies to <u>work</u> <u>performed</u> on or after:	% of 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

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			Minimum	
	Period	Classification	Graduation	
	Ending	Classification		
			Required	
1/1/2017	12/31/2017	Teamster	0.00%	
1/1/2017		All Others	30.00%	
		Teamster	0.00%	
	12/31/2018	Acoustical installer, bricklayer, carpenter, cement mason, drywall installer or	30.00%	
1/1/2018		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		
		All Others	40.00%	
1/1/2019	12/31/2019	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 waterproofer, stone mason, surveyor, teamster, terrazzo worker or finisher, and tile layer, setter, or finisher	30.00%	
		All Others	50.00%	
1/1/2020	N/A	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 waterproofer, stone mason, surveyor, teamster, terrazzo worker or finisher, and tile layer, setter, or finisher	30.00%	
		All Others	60.00%	

Applies to <u>work</u> performed on or after:	% of journeypersons who must be graduates of apprenticeship program	Not applicable to work performed by the following trades/occupations:
January 1, 2017	30%	Teamster
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.
January 1, 2019	50%	Same as above. (Including Teamster.)
January 1, 2020	60%	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%

Applies to <u>work</u> performed on or after:	% of journeypersons who must be graduates of apprenticeship program	Not applicable to work performed by the following trades/occupations:
January 1, 2017	30%	Teamster
January 1, 2018	40%	Acoustical installer, bricklayer, <u>carpenter</u> , 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.
January 1, 2019	50%	Same as above. (Including Teamster.)
January 1, 2020	60%	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 <u>EITHER</u> using the <u>head count</u> of apprenticeship program graduates OR <u>percentage of</u> <u>hours worked</u> 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)

% of Graduated J/M



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 x 100 = 60% graduation requirement met.

Total hours performed by Graduated J/M

Total hours performed by J/M (Graduates+OJT)

% of hours performed by Graduated J/M



	Total Number of Skilled	Number of Skilled Journeypersons	Number of Skilled Journeypersons	Graduation Percentage
Classification Journeypersons		Graduated From Apprenticeship Program	With On The Job Training	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

	Total Number of Skilled	Number of Skilled Journeypersons	Number of Skilled Journeypersons	Graduation Percentage
Classification Journeypersons		Graduated From Apprenticeship Program	With On The Job Training	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 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 **<u>BOTH</u>** 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.



Page 92 of 232



Monthly Reports & Awarding Body Obligations

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:
 - AB 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.
- AB 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 AB is required to do <u>ALL</u> 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.
 - AB 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.
 - AB 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 **AB 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

Under Public Contract Code §2603

Penalties Under Contract Code §2603



Penalties of **up to \$5,000 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 <u>OR</u> fails to comply with <u>ANY</u> 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-Chartwithout-New-PRC-Provision.pdf

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



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 July 9, 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.







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**.

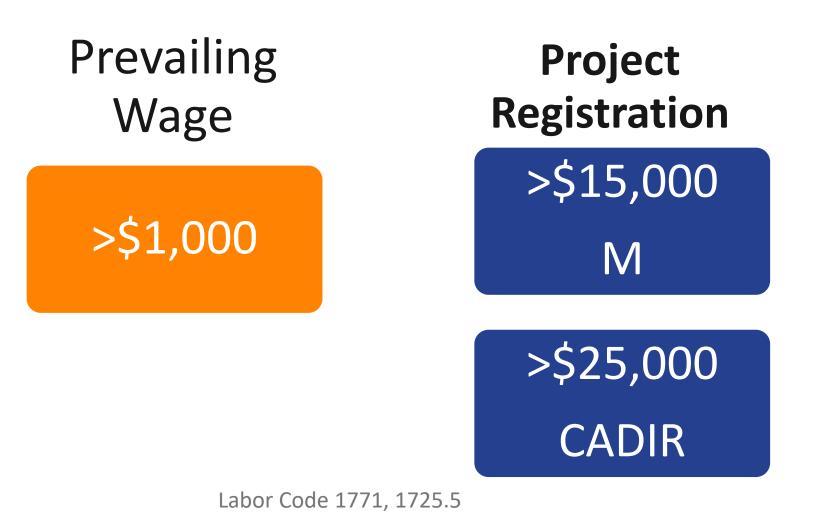
The awarding body can be any kind of public agency or official (state, county, city, school board, water district, etc.) **OR** a private entity using public funds.



Labor Code(s) 1720(1) and 1722.1

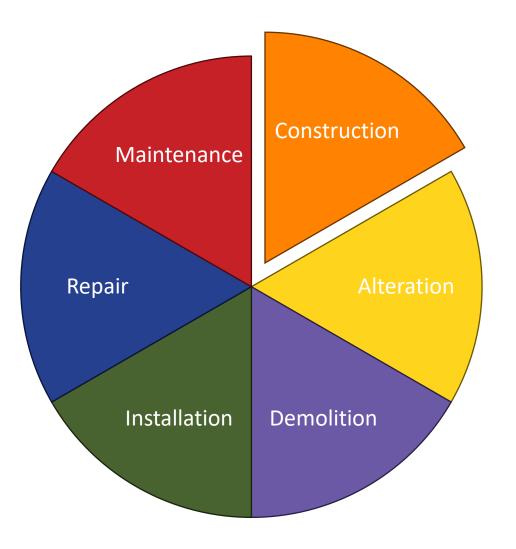


Monetary Thresholds





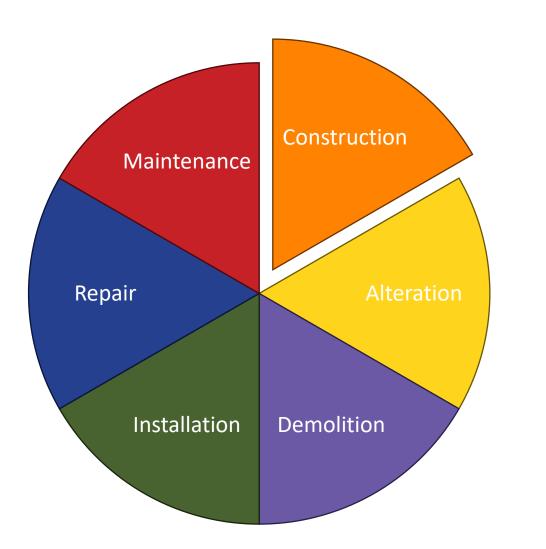
Public Works Project





Labor Code 1720

Public Works Project



Preconstruction

- Design
- Site Assessment
- Feasibility Study
- Inspection
- Land Surveying

Postconstruction

• Cleanup



Labor Code 1720

Project registration

Provide electronic notice to DIR of all public works contracts within <u>30 days</u> 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) *

* Does not apply to projects of \$25,000 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



https://www.dir.ca.gov/Public-Works/PublicWorks.html

Public Works / Public Works



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 control prosecution, or both.

DIR Service Portal for Contractors, Awarding Bodies & Developer Proponents DIR Support Center for lastest training and FAQs

Resources

- Awarding Bodies
- Contractors
- Summary of Skilled and Trained Workforce ("STW") Statutes
- Frequently Asked Questions on Skilled and Trained Workforce ("STW") Requirements
- Public Works Pre-Qualification of Contractors
- Apprenticeship Requirements
- Certified Payroll Reporting @



https://services.dir.ca.gov/gsp





eCPR Public Search Public

Public Works Support Contractors

Projects Register

Log in

DIR Services Portal

Improving working conditions in California since 1927



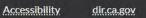


Browse Services

Report an issue or request a service











Associated Accounts

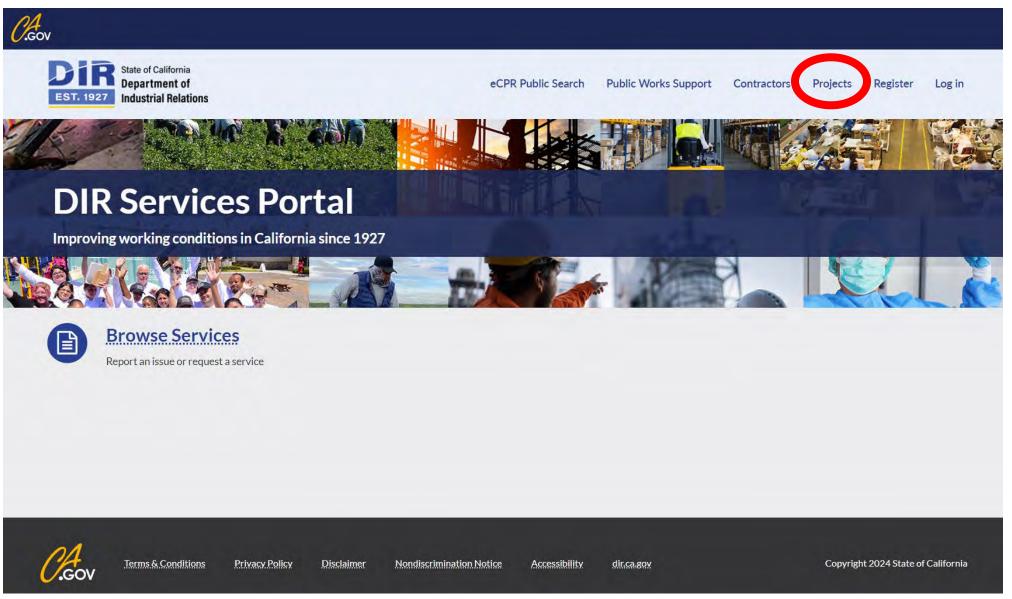
Welcome, John Doe

Demo Awarding Body

New Project Registration **≡** My Projects Q Search My Projects All **Project Number** State Awarding Body Name 🔺 Stage **Bridge Construction** 123456789 Approved Demo Awarding Body Bridge Modifications Fiscal year 24/25 123456789 Approved Demo Awarding Body 1234 **Demo Awarding Body** Demo Project 6/24/2024 Approved



SEARCHING FOR A PUBLIC WORKS PROJECT



O.gov								
EST. 1927 State of California Department of Industrial Relations			eCPR Public Sea	arch Public W	Vorks Support Cont	ractors Projects	Register	Log in
Hame > Project								
Project Filters	≡ Projects					Keywor	d Search	Q
> Approved Projects	Number	Project Number	Contract Number	Project ID	Awarding Body 🗸	Name	State	Description
> Completed Projects	20240002263	60412	60412	328821		TREATMENT PLANT REPLACEMENT	Approved	SAN DIEGO SAFARI PAR MODERNIZ
	20240002286	33130	F21AP01583-00	398835		USFWS Recovery Challenge Grant- Condor B	Approved	Facility Improvemen the Condor E
	20240002279	N-A	N-A	489198		Condor Grant 2023-2024	Approved	Upgrades an refurbishme the Condo
	20240002269	NA	F20AP00365	345613		USFWS RECOVERY CHALLENGE GRANT- CONDOR B	Approved	FACILITY IMPROVEM AT THE CON RELE
	20240002275	35625	F20AP00365-2022	440659		USFWS	Approved	Facility



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) *

* Does not apply to projects of \$25,000 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



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EST. 1927 State of California Department of Industrial Relations			eCPR Public Search	Public Works Support	Contractors Pro	ojects Register	Log in
Home > Contractors							
Contractor Filters	≡ Contra	actors			Ke	yword Search	٩
> Name is not Empty	Updated	Contractor dba name 🐱	Contractor first name	Contractor last name	Contractor mailing o	tity Contractor	mailing state
> Updated This Week	<u>2024-06-</u> 22. 14:20:47	ZWORLD GIS	Zacharias	Hunt	Santa Barbara	CA	
	2024-06- 25 22:09:05	ZUSSER COMPANY, INC.	Larisa	Sass	LOS ANGELES	CA	
	2024-06- 22 14:13:08	ZURTECH INC	Eleonora	Shavit	WESTHILLS	СА	
	<u>2024-06-</u> 22 14:14:11	Zurita Trucking	Shannon	Griego	Sylmar	CA	
	2024-06- 22 14:14:11	Zurita Trucking	Miguel	Zurita	Sylmar	CA	
	<u>2024-06-</u> 22	ZUNIGASCAPES	Cornelio	Zuniga	MORENO VALLEY	CA	

EST. 1927 State of California Department of Industrial Relations

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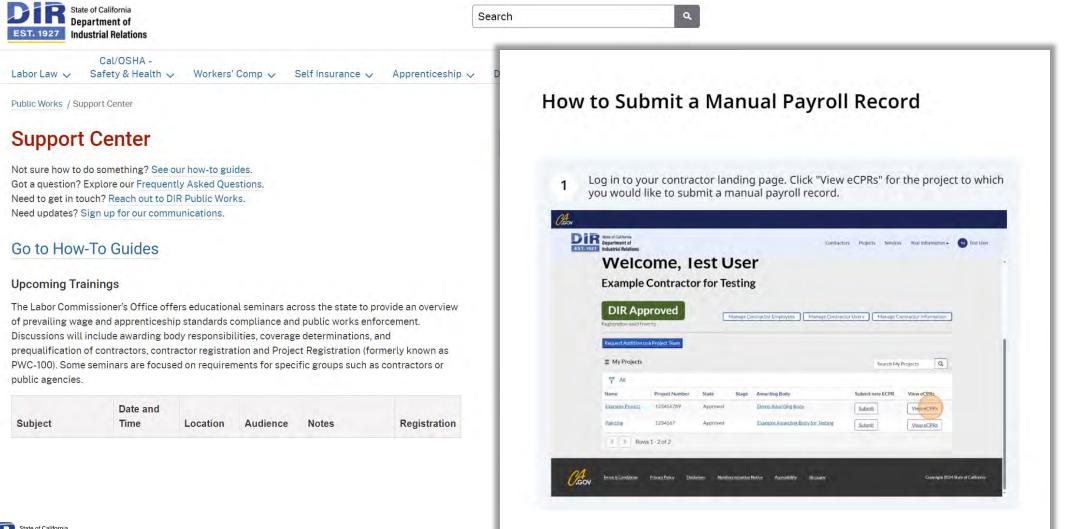
eCPR Public Search Public Works Support Contractors Projects Register Log in

Home > Contractor > THUY PHAM

THUYPHAM		
Contractor		
Contractor business email	Contractor dba name	
tpham@dir.ca.gov	TESTING	
Contractor c ation eff date	Contractor entity number	
Contractor first name	Contractor ID	
Thuy	1000018369	
Contractor mailing city	Contractor last name	
SACRAMENTO	Pham	
Contractor mailing state	Contractor mailing address2	
CA.		
Contractor mailing zip	Contractor physical address1	
95825	2031 HOWE AVE., SUITE 100	
Contractor physical city	Contractor physical address2	
SACRAMENTO		
Contractor physical state	Contractor source	



And a new Support Center for an easy transition



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 – Contractor A			on History – actor B	Registration History – 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	



POLL QUESTION - answer

Registration History – Contractor A			on History – actor B	Recotration History – htracto		
Effective Date	Expiration Date	Effective Date	Expiration Date	Effect. Date		
8/10/2021	6/30/2022	7/1/2021	6/30/2022	7/15/2021 2022		
7/1/2020	6/30/2021	9/1/2020	6/30/2021	6/25/2		
1/1/2020	6/30/2020	10/15/2019	6/30/2020	6/1/202 6/3 20		



POLL QUESTION - answer





POLL QUESTION - answer





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 subcontracts

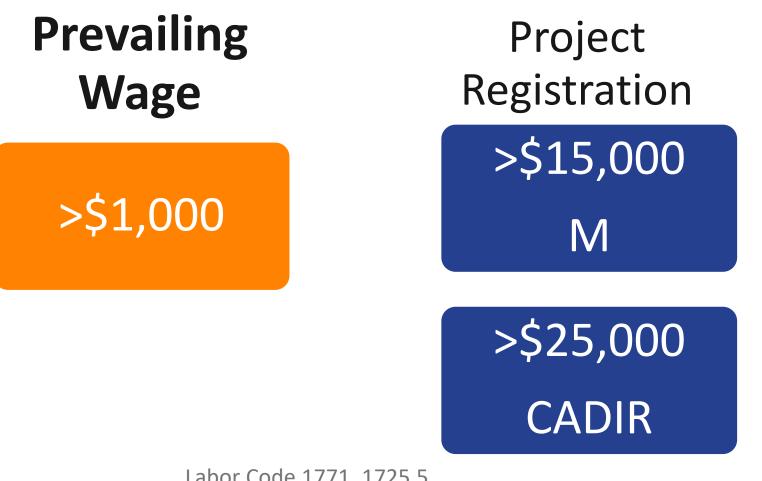
Specify in bid and contract language that projects are subject to oversight by DIR

Require contractors to post jobsite notices on public works requirements





Monetary Thresholds





Labor Code 1771, 1725.5

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 (\$1,000) 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 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

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) 285-1565

Lilia Garcia-Brower California Labor Commissioner Gavin Newsom, Governor

MAILING ADDRESS: P. O. Box 420603 Son Francisco, CA 94142-0603



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* §§ 1720 - 1861). For all projects which require the payment of prevailing wages awarding bodies¹ must do the following²:



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.)





2024 PREVAILING WAGE LABOR COMPLIANCE WEBINAR



KNOW YOUR DUTIES AND RESPONSIBILITIES UNDER THE LAW

DISCLAIMER

California Department of Industrial Relations

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- PRE-QUALIFICATION OF CONTRACTORS
- LABOR COMMISSIONER MODEL QUESTIONNAIRE





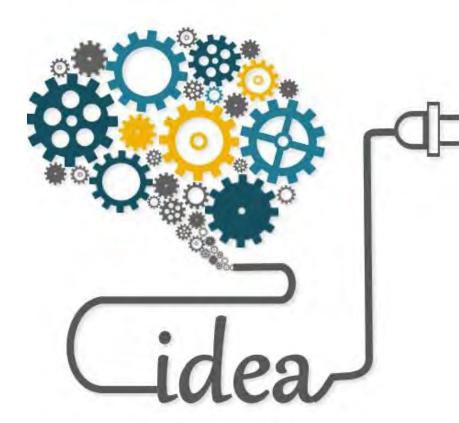
POLL QUESTION

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

Importance

Levels the Playing Field for Law Abiding Contractors

Value

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



Page 150 of 232

POLL QUESTION

What is a benefit of using the Labor Commissioner's Model Questionnaire?

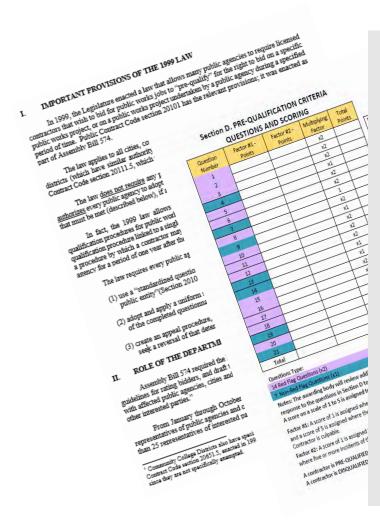
- a) It is a complete pre-qualification packet that meets all the requirements of the law
- b) It can be easily adopted and customized to an awarding bodies needs
- c) It can be used to enhance whatever pre-qualification system an awarding body already has in place
- d) All of the above



Page 151 of 232

Labor Commissioner's Model Questionnaire

EASY AS 1-2-3



INSTRUCTIONS FOR AWARDING BODIES

Contractors who wish to be pre-qualified must submit a completed pre-qualification questionnaire to the awarding hody for review. Contractors are required to provide any additional information and/or

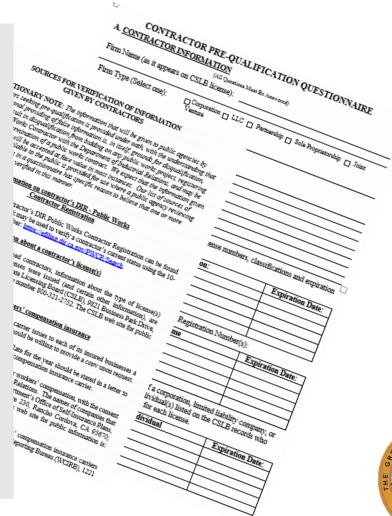
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INTRODUCTION AND OVERVIEW OF THE 1999 LAW AND ITS APPLICATION I. Important Provisions of The 1999 Law. II. Role of the Department of Industrial Relations. III. An Overview of The Documents In This Package IV. Appeal Procedure.. V. Application of The Public Records Act .. VI. What Are the Law's Provisions Regarding Pre-qualification of Subcontractors ... INSTRUCTIONS FOR AWARDING BODIES ... MODEL PRE-OUALIFICATION OUESTIONNAIRE . A. Contractor Information. **B.** Current Organization and Structure... .12 C. Essential Criteria Questions. .18 D. Pre-qualification Criteria Questions... 20 20 Prior History ... Criminal Matters and Civil Suits.. .22 Occupational Health and Safety Compliance. 23 Prevailing Wage and Apprenticeship Compliance. 23 25 E. Project References ... F. Certification. 26 SCORING WORKSHEET MODEL INTERVIEW OUESTIONS 29 REQUEST FOR PRE-QUALIFICATION OF BIDDERS COMMENCING WITH FORTHCOMING PUBLIC WORK BID . .31 ANNOUNCEMENT OF PRE-QUALIFICATION PROCEDURES AND **OPEN DATES FOR ANNUAL PRE-QUALIFICATION** .35

SOURCES FOR VERIFICATION OF INFORMATION GIVEN BY CONTRACTORS





LABOR COMMISSIONER'S MODEL QUESTIONNAIRE

Contractor

Completes the Pre-Qualification questionnaire

Submits the Pre-Qualification Questionnaire and financial statements

Provides any additional information/documentation

Awarding Body Reviews Section C "Essential Criteria"

Contractor is immediately <u>DISQUALIFIED</u> 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 <u>PRE-QUALIFIED</u> if: All of the Contractor's responses to questions 1 through 21 are "O"

SUBMIT , STEP









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

6.

- 1. Does your firm possess a valid and current California Contractor's or other professional license as required by law for the project or projects for which it intends to submit a bid?
- 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? *

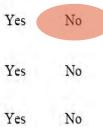
NOTE: Financial statements that are not either reviewed or audited are not acceptable. A letter verifying availability of a line of credit may also be attached; however, it will be considered as supplemental information only, and is not a substitute for the required financial statements.

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.

Circl	e Ans	wer.
Circl	e Ans	wer.

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 furnished.

Questionnaires submitted by partnerships must furnish 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 permission 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, (Name), the undersigned, am the
(Title), with the authority to act for and on behalf of
(Contractor Entity Name), declare under penalty of perjury under the laws of the State of California
that the foregoing information provided in this Pre-qualification Questionnaire is true, full, and

correc

SIGN

HERE

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: ____

(City / State)

Name of Contractor Representative:

(Date)

day of

Signature of Contractor Representative:







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

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 RequirementsCertified 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 Contractor Responsibilities

Public Works

California Labor Commissioner's Office Department of Industrial Relations July 9, 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



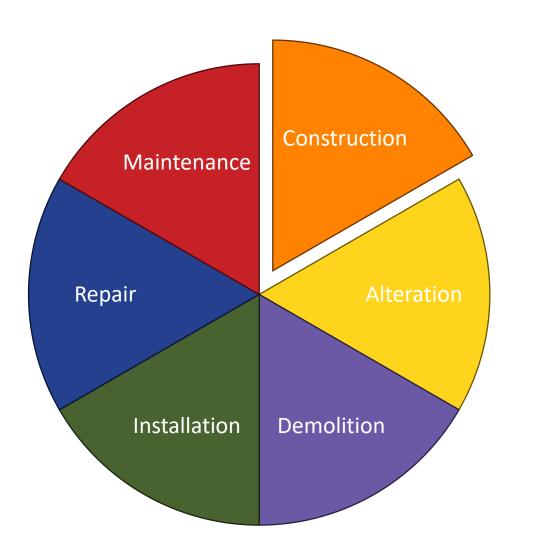
Labor Code 1771, 1725.5, and 1777.5



Labor Code(s) 1720(1) and 1722.1



Public Works Project



Preconstruction

- Design
- Site Assessment
- Feasibility Study
- Inspection
- Land Surveying

Postconstruction

• Cleanup



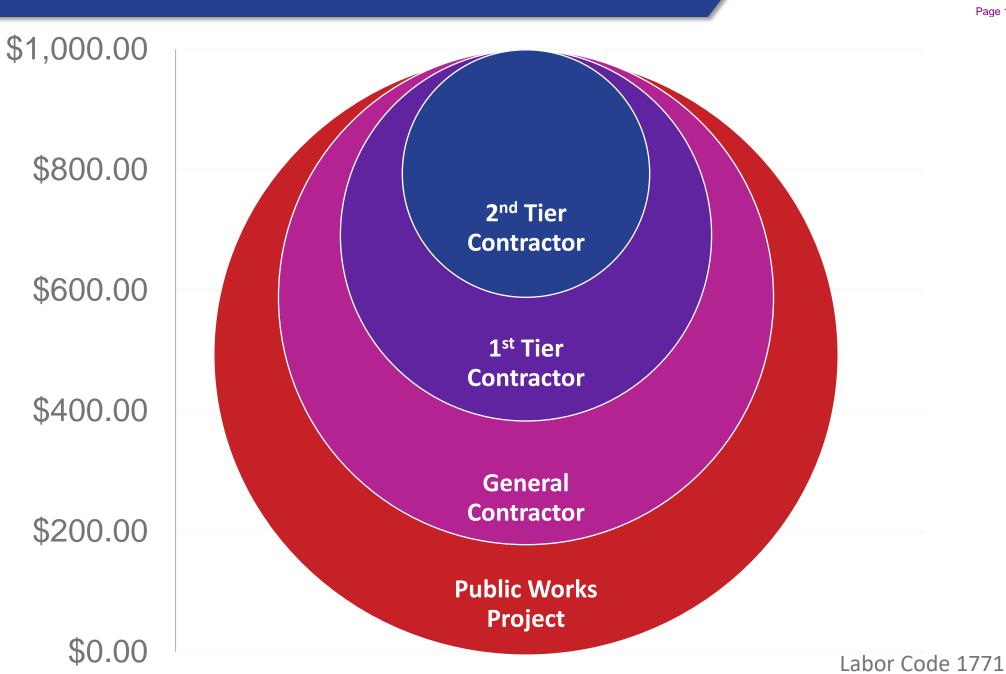
Labor Code 1720

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





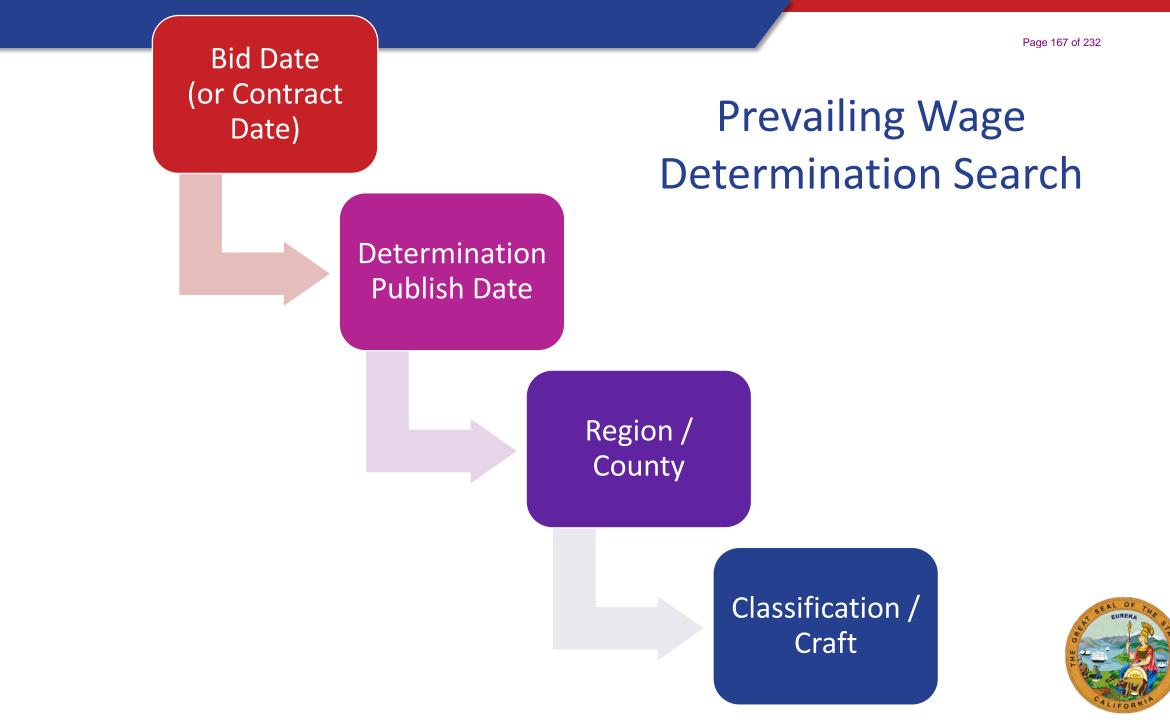


Pay Prevailing Wages



Labor Codes 1771, 1774 and 1813





	EST. 1927 State of California Department of Industrial Relations	Sea	arch Q	Page 168 of 232
	Cal/OSHA - Labor Law ↓ Safety & Health ↓ Wo	orkers' Comp 🗸 🛛 Self Insurance 🗸 Apprenticeship 🗸	Director's Office 🗸 Boards 🗸	
	EST. 1927 State of California Department of Industrial Relations		Search	٩
	Ca Labor Commissioner's Offic	e omp 🗸 Self Insurance 🗸 Apprenticeship	✓ Director's Office ✓ Boards	~
	Public Works / Public Judgment Enforcement Unit Wages Offices	t S	Director's Office Home Office of Legislative and Regulatory Affairs	
	BOFE Who Is a Publi If you work or bid on a	? are considered a public works contractor. The	Office of the Director - Research Office of the Director -	
	term "publ key respor Public Works Project	s)eterminat	ions
Request a	Public V			Information
1 Labor Lav		That Meet Requirements of Senate Bills 7, rminations, general	, 829, and 922 🖄 Plans nent	Forms
Q Fraud Pre	 Ma Prevailing wage deter Prevailing wage rates 	rminations, residential below the California minimum wage, 12/1	6/2022 🖄 ge Requirem	nents

Navigating Website Wage Determination

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

Director's General Prevailing Wage Determinations

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

Most recent iourneyman wack determination published Most recent apprentice wage betermination published Journeyman wage determinations published in prior periods Residential wage determinations (current and prior periods)

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

March 2024



Superseded prevailing wage determinations

General prevailing wage determinations made by the Director of Industrial Relations

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

Index: 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* <u>General prevailing wage determinations</u> <u>General prevailing apprentice schedules</u>



Journeyman Wage Determinations

Index 2023-1 general prevailing wage journeyman determinations

General prevailing wage determinations made by the director of industrial relations

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

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

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

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

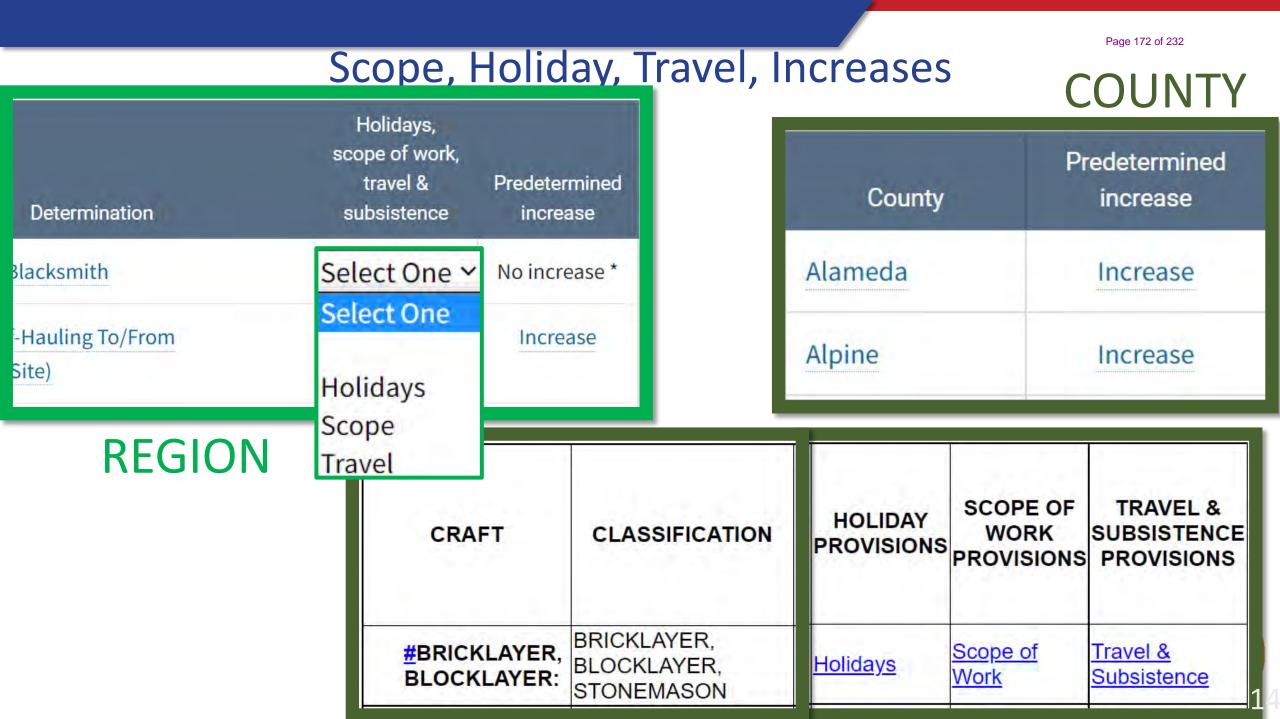
Index 2023-1 Statewide basic trade journeyman rates

General prevailing wage determinations made by the director of industrial relations

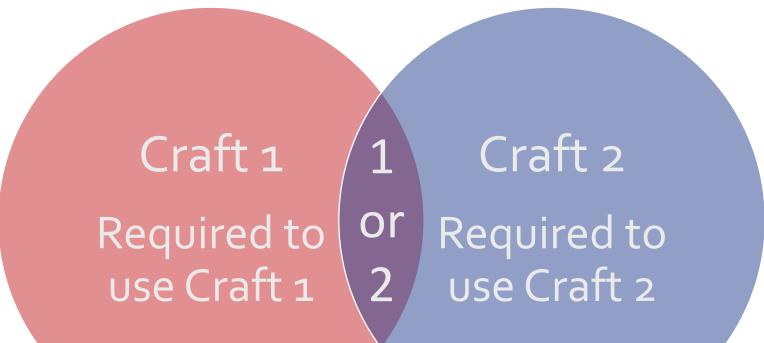
Pursuant to California Labor Code part 7, chapter 1, article 2, sections 1770, 1773, and 1773.1

Determination	Holidays, scope of work, travel & subsistence	Predetermined increase	
Boilermaker-Blacksmith	Select One 🗸	No increase *	
Driver (On/Off-Hauling To/From Construction Site)	Select One 🗸	Increase	
Electrical Utility Lineman (a)	Select One 🗸	Increase	
Electrical Utility Lineman (b)	Select One 🗸	No increase *	
Electrical Utility Lineman (c)	Select One \sim	No increase *	
Iron Worker	Select One 🗸	Increase	
Metal Roofing +	Select One \sim	Increase	
Stator Rewinder	Select One \checkmark	No increase *	
Telecommunications Technician	Select One 🗸	Increase	
Telecommunications Technician (d)	Select One \checkmark	Increase	
Tree Trimmer (High Voltage Line Clearance)	Select One 🗸	Increase	
Tree Trimmer (High Voltage Line Clearance) (b)	Select One 🗸	No increase *	
Operating Engineer (neavy and nighway work) -	Select One V	increase	
Operating Engineer (Building Construction) +	Select One 🗸	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: September 1, 2022

)n:

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

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

Wages and Employer Payments:

	Basic	Health	Pension	Vacation	Training	Other	Hours	Total	Daily	Saturday	Sunday/
	Hourly	and		and		b		Hourly	Overtime	Overtime	Holiday
Classification	Rate	Welfare		Holiday				Rate	Hourly	Hourly	Overtime
(Journeyperson)				а					Rate	Rate	Hourly
									(1 ½ X) ^c	(1 ½ X) [◦]	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 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:

August 22. 2022

Expiration date of determination:

June 30, 2023**

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

ד*ווד-*טט*ו נ*טוד).

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:											
	Basic	Health	Pension	Vacation	Training	Other	Hours	Total	Daily	Saturday	Sunday/
	Hourly	and		and		b		Hourly	Overtime	Overtime	Holiday
Classification	Rate	Welfare		Holiday				Rate	Hourly	Hourly	Overtime
(Journeyperson)				а					Rate	Rate	Hourly
									(1 ½ X) ^c	(1 ½ X) ^ҫ	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)#

Determination:

SC-31-X-41-2022-1

Issue Date:

August 22, 2022

Expiration date of determination:

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

Localities:

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

Wages and Employer Payment	Basi	Health	Pension	Vacation	Training-	Other			
<u></u>	Hour	and		and		b	Daily	Saturday	Sunday/
	Rate	Welfare		Holiday			Overtime	Overtime	Holiday
Classification				a			Hourly	Hourly	Overtime
(Journeyperson)							Rate	Rate	Hourly
							(1 ½ X) ^c	(1 ½ X) ^c	Rate
									(2 X)
Drywall Installer/Lather	¢ 47 C	¢0.00	\$5.66	¢7.04	<u></u>	¢0 77	\$95.27	\$95.27	\$118.89
	\$47.2	\$8.00	\$5.66	\$7.31	\$0.67	\$2.77			



Basic Hourly Rates

Wages and Employer Payments:

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

Basic Hourly Rate		Basic Hourly Rates	Employer Payments							
47.24		47.24	+ 24.41 =	71.65	Total Hourly Rate					
47.24	X 1.5 =	70.86	+ 24.41 =	95.27	Daily Overtime Hourly Rate (1 ½ X) Saturday Overtime Hourly Rate (1 ½ X)					
47.24	X 2.0 =	94.48	+ 24.41 =	118.89	Sunday / Holiday Overtime Hourly Rate (2 X)					
24.41 = 8.00 + 5.66 + 7.31 + 0.67 + 2.77										

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, 2	2023**.					
Effective July 1, 2023, there will be a \$3.25 increase to be allocated to wages an employer payments.	d/or					
Effective July 1, 2024, there will be a \$3.25 increase to be allocated to wages an employer payments.	d/or					
Effective July 1, 2025, there will be a \$3.50 increase to be allocated to wages an	d/or					
employer payments.	DRYWALL INSTALLER/LATHER (CARPENTER)					
There will be no further increases applicable to this determination.	Determination SC-31-X-41-2022-1 is currently in effect and expires on June 30, 2023**.					
Issued 8/22/2022, Effective 9/1/2022 until superseded.	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.					
This page will be updated when wage rate breakdown becomes available. Last Updated: September 1, 2022	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.					
	leaved 8/22/2022. Effective 0/1/2022 until superceded					
	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





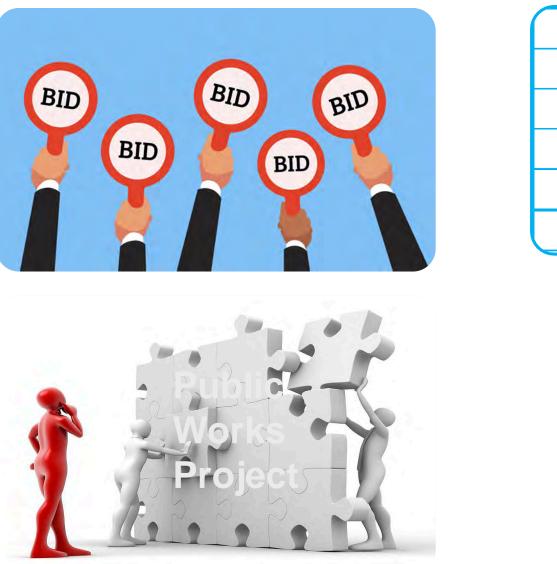
Contractor Responsibilities



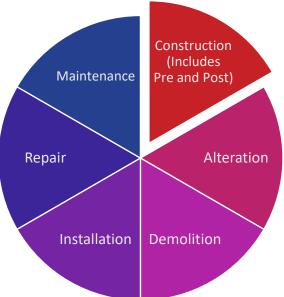
Labor Code 1771, 1725.5, and 1777.5



Register as a Public Works Contractor







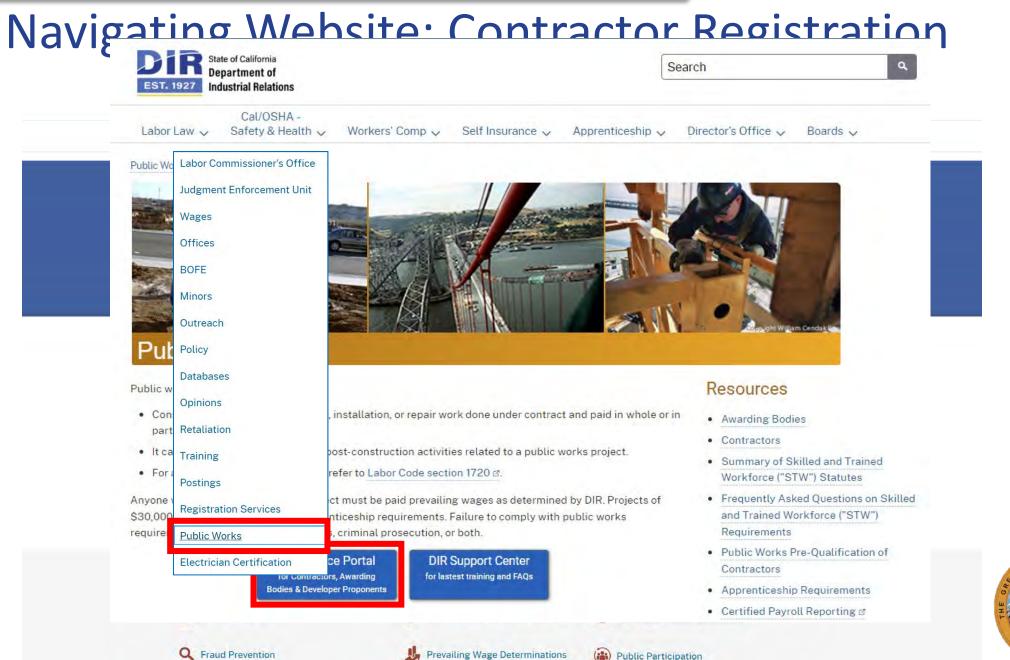


Labor Codes(s) 1725.5 & 1771.1

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





Contractor Registration

We've Moved

Our modernized Public Works Website Services are now live, featuring a new, unified platform. Visit our new site now. ☑

Who Is Eligible to Register?

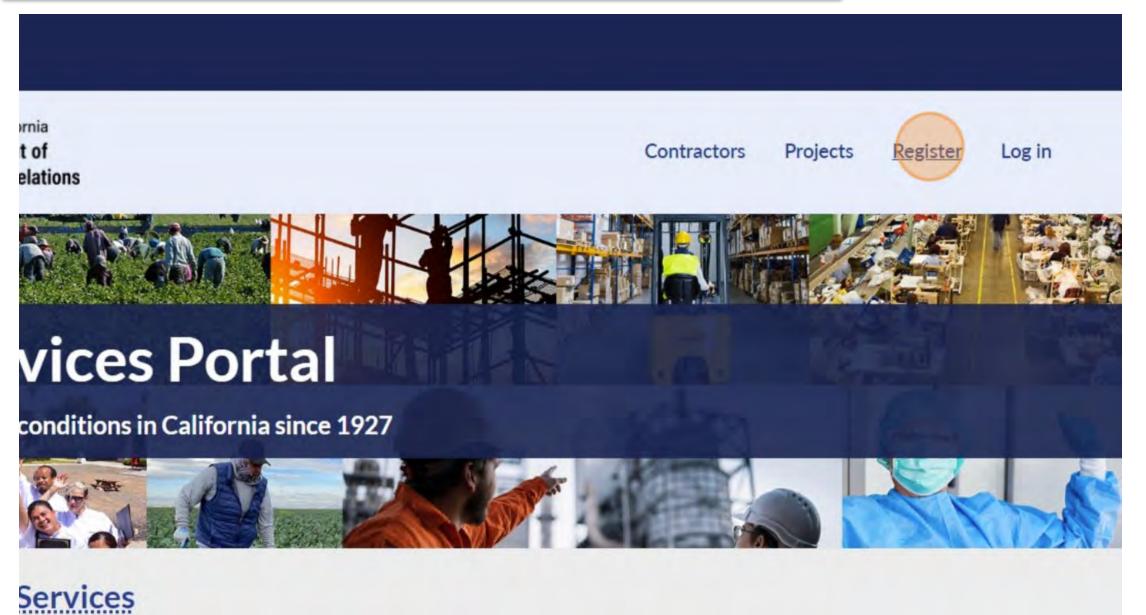
Contractors must meet the following requirements to register:

- 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 penalty.

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





Associate your User Account with an entity Select the entity type you want to associate your account with.

Â

Awarding Body or Development Proponent

If you work for an entity that awards a contract for public works.

The awarding body can be any kind of public agency, department, board, official or a private entity using public funds, and is sometimes known as the project owner.

Or if you are a the developer who submits an application for streamlined approval.

A Development proponent approval allows to submit projects and award contractors.

Recommended based on your email

No Recommendations Found.

88

Contractor

If you work or bid on a public works project or a contract that requires the payment of prevailing wages.

It includes subcontractors who have entered into a contract with another contractor to perform a portion of the work.

As a Public Works Contractor you must have a CSLB license or SOS number.

A Contractor registration allows to submit payroll to the projects you are working on.

Recommended based on your email

No Recommendations Found.



<_Back

Register a new Contractor

Indicates required

Legal Information

PWCR Number (numbers only)

Please Enter the PWCR Number

Legal Entity Type

Please select a legal entity type

Legal Entity Name

Please enter the Legal Entity Name

CLSB Number

Please enter the CLSB

DBA (Doing Bu	siness	As
---------------	--------	----

Please enter a value

President Name

*

Please enter the president's name

SOS Number

Please Enter the SOS Number



Approved Domains



÷

conditions in California since 1927



Complete registration application

Requested: 2024-06-24 16:02:11

ociated Accounts

stractor Registrations in Progress

Registration Status

ntracting

Registration In-Progress

Provide additional information and pay the fee to complete registration.

come, Jane DEF

F Contracting 2000001261

SEAL OF THE

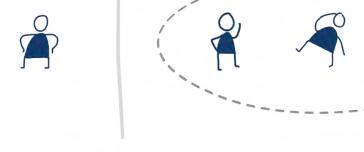
Polling Question 6

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





Partnership

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



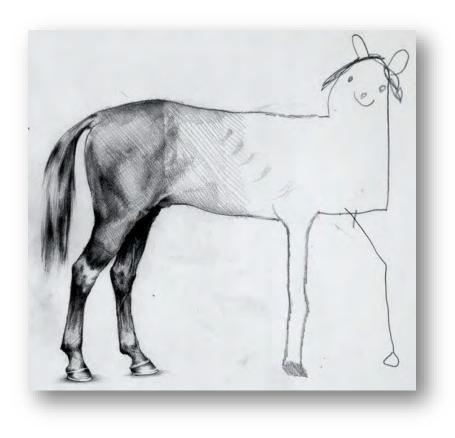
Polling Question 7

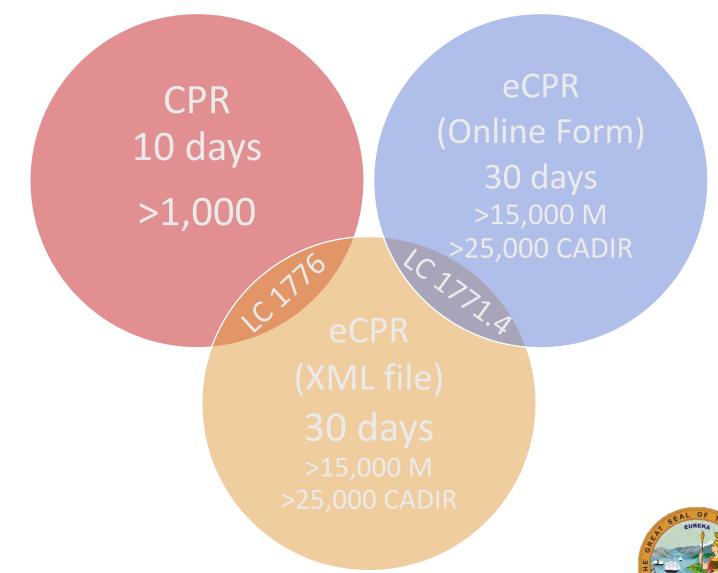
Which of the following should you do in order to comply with the requirements of a Labor Code 1776 request for certified payroll records?

- 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





Labor Code(s) 1776 and 1771.4

Form A-1-131

NOTICE TO	PUBLIC ENTITY
For Privac	y Considerations
Fold back along dotted line prior to copyin	g for release to general public (private persons).
(Paper Size then 8-1/2 x 11 inches)	
L	the undersigned am the
(Name – print)	, the undersigned, am the
	with the authority to act for and on behalf of
(Position in business)	
(Name of business and/or contractor)	, certify under penalty of perjury
that the records or copies thereof submitted an	d consisting of(Description, number of pages)
are the originals or true, full, and correct copie	es of the originals which depict the payroll record(s)
of the actual disbursements by way of cash, ch	neck, or whatever form to the individual or
individuals named.	
marviadais fidilica.	



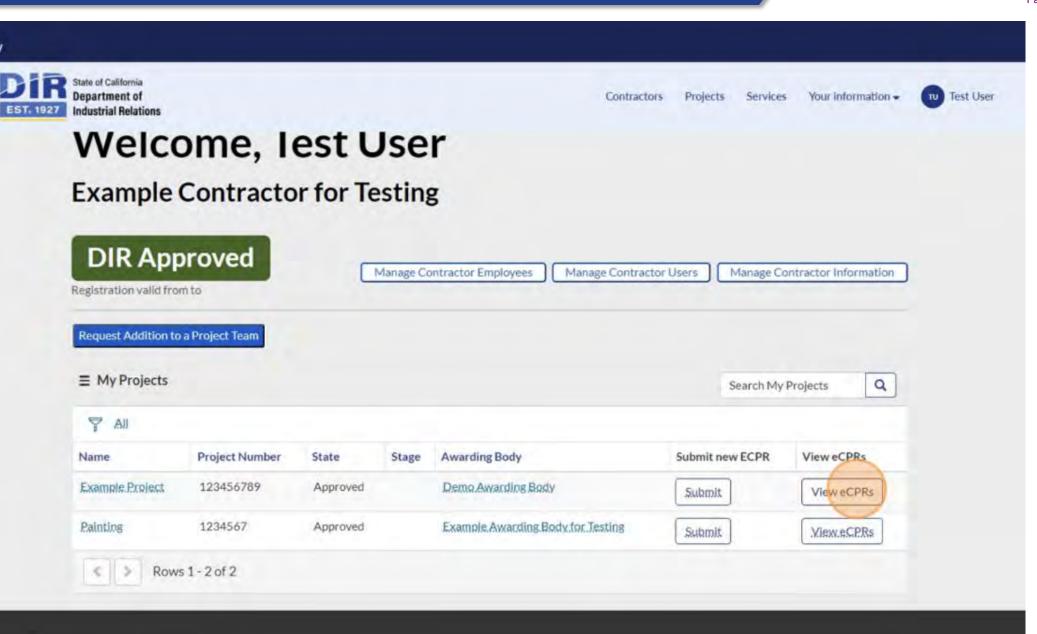
Date: _____

Signature:

Form A-1-2	131
------------	-----

		NAME OF CONTRACTOR: OR SUBCONTRACTOR									DRESS								
		PAYROLL NO.:	(4)			FOR WEEK I	ENDING:	(5)	(6)	(RED CERTIFICA		0.2		1000	JECT OR CON			
(1)	(2)	(3)		MT	w	TH F	s s		(7)		-	(8)							
NAME, ADDRESS AND SOCIAL SECURITY NUMBER OF EMPLOYEE	NO OF WITH- HOLDING EXEMPTIONS	WORK CLASSIFICATION		HO	LI	DATE		TOTAL. HOURS	HOURLY RATE OF PAY	GROSS	ROSS AMOUNT EARNED	DEDUCTIONS, CONTRIBUTIONS AND PAYMENTS				NET WGS PAID FOR WEEK			
			s						Ì	THIS PROJECT	ALL PROJECTS	FED. TAX	FICA (SOC. SEC.)	STATE TAX	SDI	VAC/ HOLIDAY	REALTU & WELF.	PENSION	
							-					TRAING.	FUND	DUES	TRAV/ SUBS.	SAVINGS	OTHER*	TOTAL DEDUC- TIONS	





0.Gov



epartment of dustrial Relations						Contractors	Projects S	ervices Your in	formation +
Project Name: Exam	ple Project						Up	date Subcontract	ors List
roject status: Appr	oved						Se	e Project Informa	tion
DIR Project ID 1234	56789					1			
Example Contractor	for Testing					S	submit New e	CPR Upload	NeweCPR
						-			
■ Payroll Runs									
Payroll Number	Start Date	End Date	Payroll Type	Created	Amendments	Submitted	State	Open eCPR	Amend
PRRUN0002172	2024-06-14	2024-06-20	Regular	2024-06-14 14:41:13	1		Draft	Ogen.eCPR	Amend
PRRUN0002141	2024-06-01	2024-06-07	Regular	2024-06-13 10:24:27	0	2024-06-13	Submitted	Open.eCPR	Amend
			Regular	2024-06-14	0		Draft	.Open.eCPR	Amend



State of California Department of Industrial Relations	Support Contractors Projects Services Your information - 🕡 Test User
Payroll Setup Action required	Dovrall Satur
Action required	Payroll Setup
O Dawall Information	Select Payroll type
Action required	O Non-Performance Work was performed during the payroll period No work was performed during the payroll period
Action required	Is this the Final Payroll for this project? QYes QNo
	Select reporting type
	O Weekly O Bi-weekly O Semi-monthly 7 days 14 days From 1st to 15th OR from 16th to last day of the month
	From Date To Date
	mm/dd/yyyy 🗊 mm/dd/yyyy



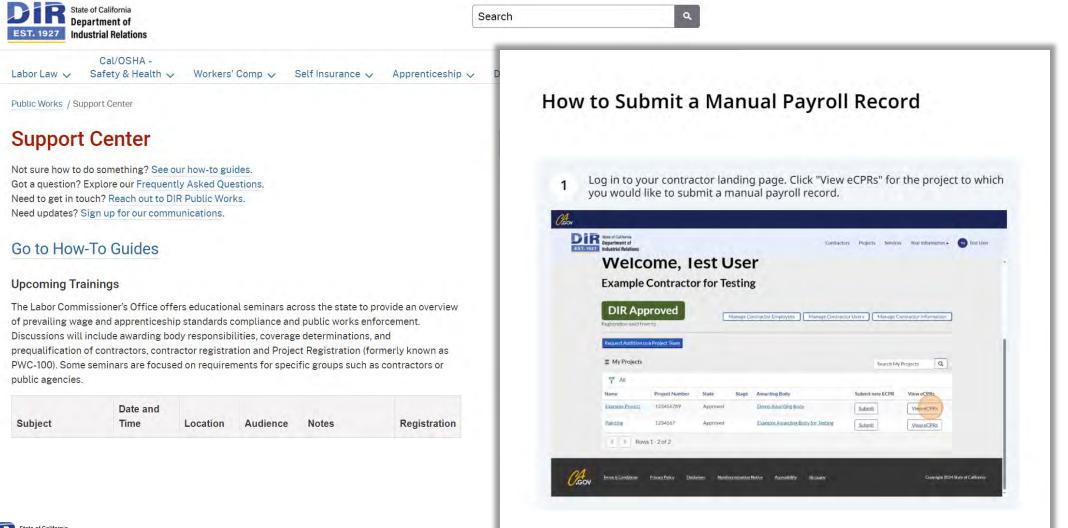
State of California Department of Industrial Relat	f			Support	Contractors	Projects	Services	Your informati	ion - TV
Project Name: Paint	ing						U	pdate Subcontrac	tors List
project status: Appro	oved						Se	e Project Informa	ation
DIR Project ID									
Example Contractor	for Testing					Subn	nit New e	CPR Uploa	d New eCFR
									\bigcirc
■ Payroll Runs									
			2		0			0	
Payroll Runs Payroll Number	Start Date	End Date	Payroll Type	Created	Amendments	Submitted	State	Open eCPR	Amend
		End Date 2024-06-26	Payroll Type Regular	Created 2024-06-19 12:07:16	Amendments 0	Submitted	State Draft	Open eCPR	Amend
Payroll Number PRRUN0002230	Start Date 2024-06-20	2024-06-26	Regular	2024-06-19 12:07:16	0	Submitted	Draft		
Payroll Number	Start Date					Submitted			
Payroll Number PRRUN0002230 PRRUN0002222	Start Date 2024-06-20 2024-06-19	2024-06-26 2024-06-25	Regular Regular	2024-06-19 12:07:16 2024-06-19 09:00:29	0	Submitted	Draft Draft	Open.eCPR	Amend
Payroll Number PRRUN0002230	Start Date 2024-06-20	2024-06-26	Regular	2024-06-19 12:07:16	0	Submitted	Draft	Open.eC.P.R	Amend



State of California Department of Industrial Relations	Support Contractors Projects Services Your information - Test User
Upload eCPR XML -	Upload ECPR XML Upload ECPR XML File
Sign and Submit eCPR Action required	Indicates required *Contractor
	Example Contractor for Testing * * Project
	 "Emergency Main Feed Water Line Repair" * • Upload XML File Required - Upload
	Next Step



And a new Support Center for an easy transition





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



23

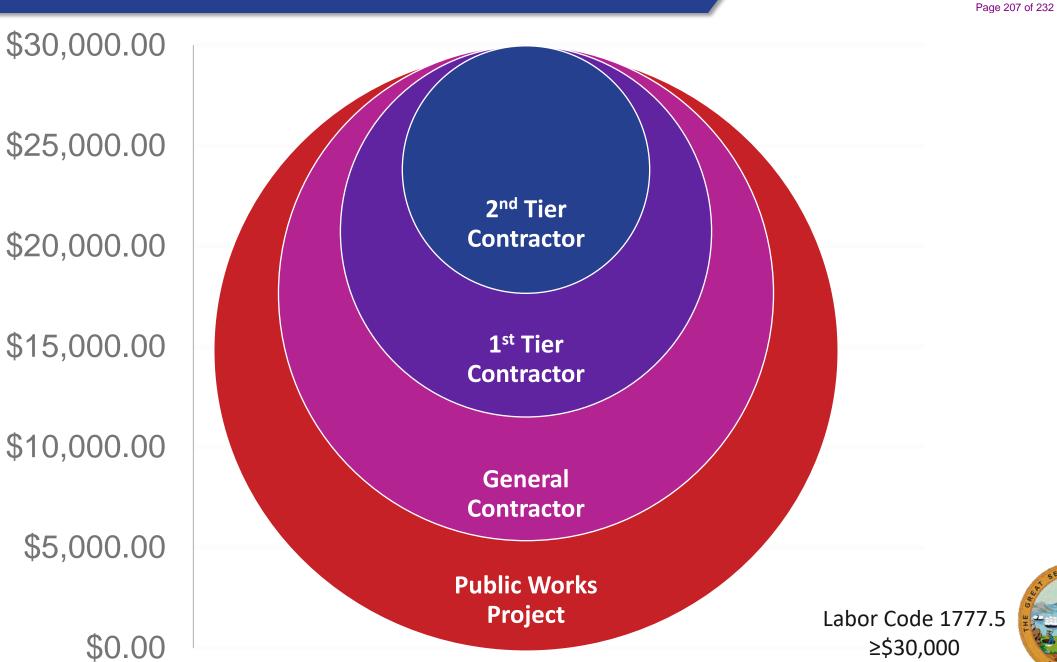
31



Contractor Responsibilities



Labor Code 1771, 1725.5, and 1777.5





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:

	Basic	Health	Pension	Vacation	Training	Other	Hours	Total	Daily	Saturday	Sunday/
	Hourly	and		and	_	b		Hourly	Overtime	Overtime	Holiday
Classification	Rate	Welfare		Holiday				Rate	Hourly	Hourly	Overtime
(Journeyperson)				а					Rate	Rate	Hourly
									(1 ½ X) ^c	(1 ½ X) [◦]	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



Contract Award Information

PUBLIC WORKS CONTRACT AWARD INFORMATION

Contract award information must be sent to your Apprenticeship Committee if 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.

CONTRACTOR'S STATE LICENSE NO
AREA CODE & TELEPHONE NO.
DATE YOUR CONTRACT EXECUTED
DATE OF EXPECTED OR ACTUAL START OF PROJECT
ESTIMATED NUMBER OF JOURNEYMEN HOURS
OCCUPATION OF APPRENTICE
ESTIMATED NUMBER OF APPRENTICE HOURS
APPROXIMATE DATES TO BE EMPLOYED

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

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.	We are already approved to train apprentices by the		
_	Apprenticeship Committee. We will employ and train under their S	Standards.	Enter name of the Committee
2.	We will comply with the standards of		
	Apprenticeship Committee for the duration of this job only.	Enter na	me of the Committee
_			

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.

Date
strial Relations DIVISION



3.

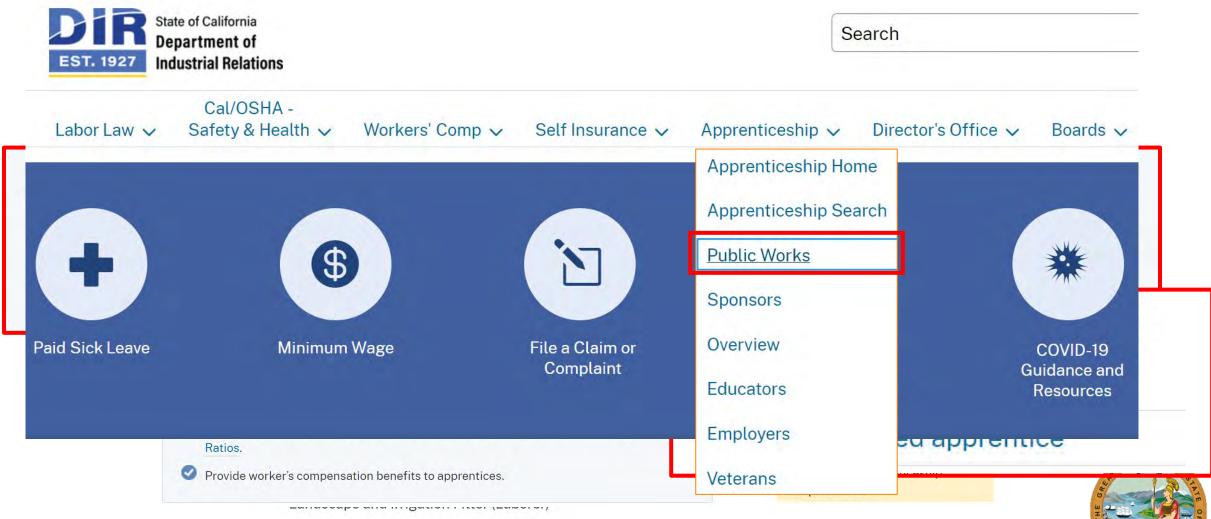


	Minimum Ratio	Contract Award Information	Maximum Ratio	Journeyman Onge 212 of 232 Duty
Box 1		May be sent only to apprenticeship committee that approved the contractor	which the Regulation contractor has will enforce	Not a CAC Regulation but will enforce DAS
Box 2	One apprentice hour for every five journeyman hours Must be sent to all applicable apprenticeship committees		agreed to be bound by. Calculated at the end of the project and not on a daily basis.	approved apprenticeship standards
Box 3		Not Applicable Not a CAC Regulation	Apprentices must work with or under a journeyman at all times.	

Public Works Apprenticeship Requirements

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



Division of Apprenticeship

Equal Representation in Construction

Funding Resources

Apprenticeship Grant

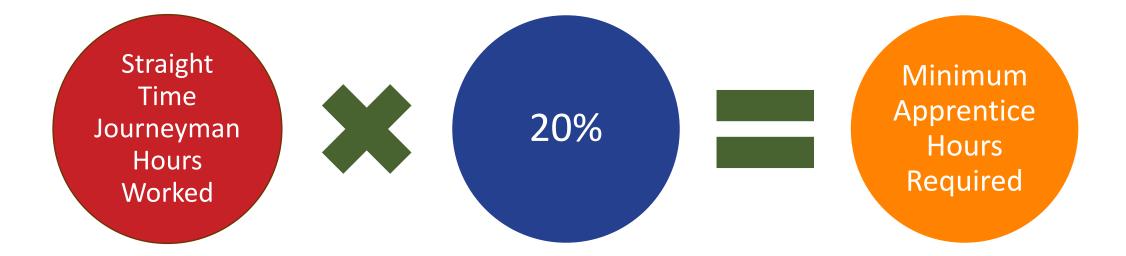
Page 213 of 232

Standards

Funding

Plaster Tender
 https://www.dir.ca.gov/databases/das/pwaddrstart.asp

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

	#Craft 1	#Craft 2
Journeyman ST Hours Worked x 20%	200	100

All apprentice hours count towards the minimum ratio requirement



Request for Dispatch of an Apprentice

TATE OF CALIFORNIA TATE OF CALIFORNIA TATE OF CALIFORNIA				
trade in the area of the public work. Go to: http:// about programs in your area and trade. You may also office whose telephone number may be found in Relations, Division of Apprenticeship Standards. <u>E</u> work, you must request and employ apprentices	apprentice from the Apprenticeship Committee in the craft of /www.dir.ca.gov/databases/das/pwaddrstart.asp for information to consult your local Division Apprenticeship Standards (DAS) your local directory under California, State of, Industrial Except for projects with less than 40 hours of journeyworkers in no less than 8 hour increments.			
Date:	Contractor Requesting Dispatch:			
To Applicable Apprenticeship Committee: Name: Address:	Name:			
Tel. NoFax No	License No PWC Registration Number: Tel. NoFax No			



Project Information: PWC Project Number	Contract	Number
otal Contract Amount.	Sub-Contract	Amount
Name of the Project:		
Address:		
Dispatch Request Information:		
Number of Apprentice(s) Needed:	Craft or Trade:	
Date Apprentice(s) to Report:	(72 hrs. notice required)	Timeto Report:
Name of Person to Reportto:		
Address to Report to:		
You may use this form to make your written requ		prentice. Requests for dispatch must be in holidays) via first class mail, fax or email. Proof
of submission may be required. Please take r	ote of California Code of Reg	
requirements regarding apprenticeship requests visit <u>https://www.dir.ca.gov/das/Pub</u>		
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			8am

- 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





CCR 230.1

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 Page 221 of 232 Certification

Apprenticeship status certification for public works

Enter search string (LLLLF9999) here

SmitM123

Search

How to compile the search string:

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 (*) are certified as apprenticeable occupations for Public Works projects. For individuals who have completed an approved 20 hour safety training, the course and the date completed are

listed below. Name
Mason Smith
Mason Smith

Occupation
* Cement Mason
* Cement Mason

Action	Effective Date	Ce
Start		Smi
Comp	12-25-2017	Smi

Cert. id SmitM1234 SmitM1234

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

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

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:					Training						
	Basic	Health	Pension	Vacatio		ther	Hours	Total	Daily	Saturday	Sunday/
	Hourly	and		and		b		Hourly	Overtime	Overtime	Holiday
Classification	Rate	Welfare		Holiday				Rate	Hourly	Hourly	Overtime
(Journeyperson)				а					Rate	Rate	Hourly
									(1 ½ X) °	(1 ½ X) °	Rate
											(2 X)
Drywall Installer/Lather	\$47.24	\$8.00	\$5.66	\$7.31		2.77	8.0	\$71.65	\$95.27	\$95.27	\$118.89
			•		\$0.67				•	-	•



CAC - Public works Training Fund Search

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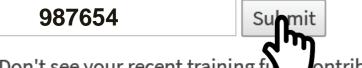
Training Fund Search

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



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

Possible reasons:

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

Department of Industrial Relations

California Apprenticeship Council

P. O. Box 511283

Los Angeles, CA 90051-7838

dir.ca.gov/CAC/trainingfund/Tfsearch.html

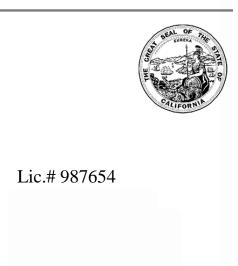


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CALIFORNIA APPRENTICESHIP COUNCIL

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

Re: Training Fund Contribution Inquiry for: ACME, Inc. 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	-			
Los Angeles	Cement Masons	04/05/2017	97.92	
SP-98765				
Los Angeles	Laborers	04/05/2017	142.14	
SP-98765				

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

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



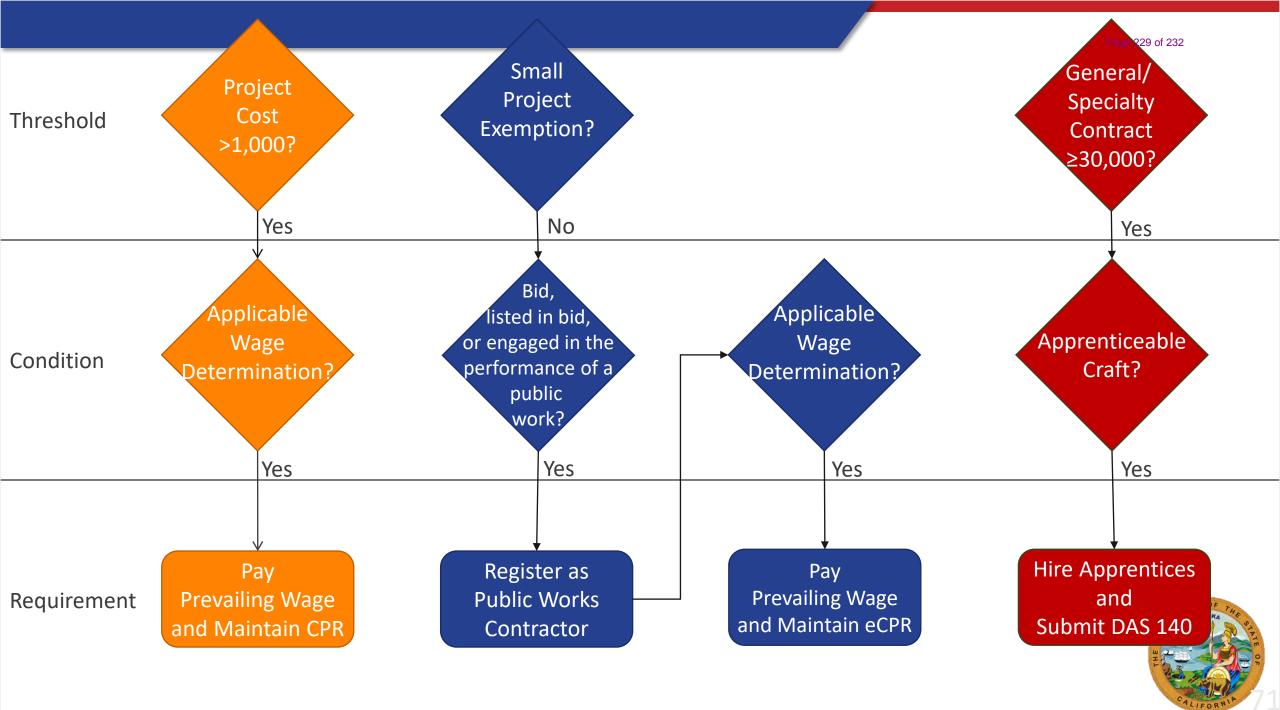


Contractor Responsibilities



Labor Code 1771, 1725.5, and 1777.5





Contractor Responsibilities

Prevailing Wage

≤\$200 Per Calendar Day of Noncompliance Per Worker

Contractor Registration

Subcontracting With Unregistered Contractor \$100/day 10,000/project

Engaged in Performance of Public Work Contract \$100/day \$8,000/project

Labor Code 1771, 1725.5, and 1777.5

Apprenticeship

≤\$300 Per Calendar Day of Noncompliance



STATE OF CALIFORNIA

DEPARTMENT OF INDUSTRIAL RELATIONS **Division of Labor Standards Enforcement**

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

Lilia García-Brower California Labor Commissioner

October 28, 2022

Sent Only Via E-Mail

Contractors' Responsibilities, Statutory Obligations

Re Successful Bidding and Work on California Public Works Projects

Dear Contractor.

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

- Register as a public works contractor with the Department of Industrial Relations (DIR) and remit an application fee. (Lab. Code § 1725.5(a).)
- Pay prevailing wages to all workers employed on public works projects. (Lab. Code §§ 1770, 1771.)
- Follow apprenticeship standards, more information found here. (Lab. Code § 1777.5.)
- For certain projects, comply with California's Skilled and Trained Workforce Requirements. (Pub. Contract Code §§ 2600-2603.)
- Maintain and properly submit certified payroll records. More information can be found 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 \$1.3 million in kickbacks and wage theft by its crew leader, covering 27 workers. The LCO



Gavin Newsom, Governor

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

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

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

Page 231 of 232

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

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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.)

