

FACT SHEET #4 – APPLICATION OF DAVIS-BACON LAWS

DAVIS-BACON PROVISIONS FOR CLEAN AND DRINKING WATER SRF PROJECTS

The federal requirements that apply to the Vermont SRF program under the Davis-Bacon & Related Acts

DAVIS-BACON & RELATED ACTS (40 U.S.C. 3141)

The Davis-Bacon Act requires:

- payment of prevailing wages,
- on federally funded or assisted construction projects,
- from federal government or District of Columbia contracts,
- in excess of \$2,000,
- for the construction, alteration, or repair (including painting and decorating),
- of public buildings or public works.

Federal laws that authorize federal assistance for construction through grants, loans, loan guarantees, and insurance are Davis-Bacon “related Acts.” The “related Acts” include provisions that require Davis-Bacon labor standards for **Vermont State Clean Water and Drinking Water Revolving Fund Loans**.

Contractors and subcontractors must pay laborers and mechanics employed directly upon the site of the work the **locally prevailing wages**, listed in the **Davis-Bacon wage determination** in the contract, for the work performed. Davis-Bacon **labor standards clauses** must be included in covered contracts. **Apprentices or trainees** may be employed at less than the rates listed in the contract wage determination only when they are in an apprenticeship program registered with the Department of Labor or with a state apprenticeship agency recognized by the Department.

The Davis-Bacon “**prevailing wage**” is the combination of the basic hourly rate and any fringe benefits listed in a Davis-Bacon wage determination. **Prevailing wages, including fringe benefits, must be paid on all hours worked on the site of the work.**

Contractors and subcontractors are required to pay covered workers weekly and **submit weekly certified payroll records** to the project Owner or Consulting Engineer which is the contracting agency. They are also required to **post the applicable Davis-Bacon wage determination with the Davis-Bacon poster ([WH-1321](#))** on the job site in a prominent and accessible place where they can be easily seen by the workers.