



# DAVIS-BACON

## Wages and Fringe Benefits

Wednesday, October 13, 2021  
Discussion with the Department

**VIRGINIA ASPHALT ASSOCIATION**  
Trenton M. Clark, P.E., President



# TOPICS



What is the Davis-Bacon Act?



How does the Act pertain to highway construction?



How are the rates and fringe benefits determined?



# WHAT IS DAVIS-BACON?

- Established on March 3, 1931
- Purpose to protect whites-only unions from nonunionized black workers
- Requires contractors on federal construction projects to pay a “prevailing wages” to their workers

## EMPLOYEE RIGHTS UNDER THE DAVIS-BACON ACT

### FOR LABORERS AND MECHANICS EMPLOYED ON FEDERAL OR FEDERALLY ASSISTED CONSTRUCTION PROJECTS

#### PREVAILING WAGES

You must be paid not less than the wage rate listed in the Davis-Bacon Wage Decision posted with this Notice for the work you perform.

#### OVERTIME

You must be paid not less than one and one-half times your basic rate of pay for all hours worked over 40 in a work week. There are few exceptions.

#### ENFORCEMENT

Contract payments can be withheld to ensure workers receive wages and overtime pay due, and liquidated damages may apply if overtime pay requirements are not met. Davis-Bacon contract clauses allow contract termination and debarment of contractors from future federal contracts for up to three years. A contractor who falsifies certified payroll records or induces wage kickbacks may be subject to civil or criminal prosecution, fines and/or imprisonment.

#### APPRENTICES

Apprentice rates apply only to apprentices properly registered under approved Federal or State apprenticeship programs.

#### PROPER PAY

If you do not receive proper pay, or require further information on the applicable wages, contact the Contracting Officer listed below:

or contact the U.S. Department of Labor's Wage and Hour Division.



WAGE AND HOUR DIVISION  
UNITED STATES DEPARTMENT OF LABOR

1-866-487-9243  
TTY: 1-877-889-5827  
[www.dol.gov/whd](http://www.dol.gov/whd)



WH1321 REV 10/17



# HIGHWAY CONSTRUCTION PROJECTS

- Set by counties and many cities
- Applies to federal aid projects
- VDOT expanded to state-only funded projects



# WAGES AND FRINGE BENEFITS

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Set by specific job classification

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Contractors can petition for new classification

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Survey conducted by US Department of Labor every 3 years

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Completed by contractors and labor unions

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Data does **NOT** come from Certified Payroll information



# FINAL THOUGHTS



USDOL sets rates and benefits based on survey results



USDOL has a process to analyze the data; need large enough data pool to set values



Job classifications for paving and other field functions need review



Contractors need to complete surveys to reflect actual rates and benefits





# GENERAL CONVERSATION





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