

# renew Louisiana

LOUISIANA DEPARTMENT OF NATURAL RESOURCES

American Recovery and Reinvestment Act of 2009



## Davis-Bacon Act Factsheet

### What is the Davis-Bacon Act (DBA)?

The Davis-Bacon Act requires payment of locally prevailing wages, including fringe benefits, to laborers and mechanics on federal government contracts in excess of \$2,000 for construction, alteration, or repair (including painting and decorating) of public buildings or public works who are employed directly on the site of the work. Section 1606 of the American Recovery and Reinvestment Act requires that all “projects funded directly by or assisted in whole or in part by the Federal Government...” comply with DBA requirements.

### What are the flow-down requirements of the DBA?

The direct recipient of the Energy Efficiency and Conservation Block Grant (EECBG) Program funding is the Department of Natural Resources (DNR). The recipient is required to pass down the DBA requirements to its subrecipients, i.e. the Parishes, who in turn must pass down these requirements to their contractors and subcontractors. Further detail on flow-down of responsibilities is provided in the last page of this factsheet.

### What are the DBA requirements?

- Requires that contractors/subcontractors to pay laborers and mechanics prevailing wages and fringe benefits;
- Requires that laborers and mechanics be paid on a weekly basis;
- Requires that weekly certified payrolls (Department of Labor Form WH-347) be submitted weekly to the recipient of the grant;
- Requires that employment records be kept for a period of three years after project completion;
- Requires employers post the WH-1321 “Employee Rights under the Davis-Bacon Act” poster at the site of the work.

### How does the DBA apply to my project?

- Any project funded directly by or assisted in whole or in part by American Recovery and Reinvestment Act (ARRA) Funds, is subject to the DBA prevailing wage requirements, regardless of whether the work is performed on a public or private facility.
- Applies only to construction, alteration or repair work. Auditors, inspectors, training instructors, and other personnel not performing physical or manual work at the project site are not covered by the DBA.
- Applies to work conducted on the project site; not to work conducted off-site and not for time spent traveling to the project site.

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- Applies to apprentices, trainees and volunteers performing manual work at the project site unless specifically exempted by federal statute and participating in a program approved or recognized by the U.S. Department of Labor (DOL).
- Does not apply to work performed by state and local unit of government employees, as they are not considered contractors under the DBA.
- Does not apply for routine maintenance and incidental installation of equipment, for example installation of light bulbs. *This is to be evaluated by the U.S. Department of Energy (DOE) on a case-by-case basis.*

### What are DOL Wage Determinations?

U.S. Department of Labor Wage Determination(s) are applicable to work covered by the DBA and are specific for the job classification, the locality where work is performed (usually a parish) and for the category of construction involved. To obtain DOL wage determinations, access <http://www.wdol.gov>.

### What is a Certified Payroll Form?

All laborers and mechanics employed on the work site must be paid, unconditionally, at least once a week. Covered employers must submit a certified payroll on a weekly basis to the Subrecipient, who must in turn submit to the Recipient of the grant. A copy of a certified payroll form (WH-347) can be found on the Labor Department's Wage and Hour Division ARRA website at <http://www.dol.gov/esa/whd/recovery/>

### Additional Resources on the DBA:

- U.S. DOL General Wage Determinations - <http://www.wdol.gov>
- U.S. DOL DBA Regulations & Field Operations Handbook - <http://www.dol.gov/whd/recovery/>
- U.S. DOL Certified Payroll Form WH-347 - <http://www.dol.gov/whd/forms/wh347.pdf>
- U.S. DOE DBA Frequently Asked Questions - <http://www.eecbg.energy.gov/davisbacon.html#oversight>
- WH-1321 "Employee Rights Under the Davis-Bacon Act" poster - <http://www.dol.gov/whd/regs/compliance/posters/fedprojc.pdf>

*For additional clarification please contact Renew Louisiana EECBG Program at 1-877-319-1368 or [laeecbg@shawgrp.com](mailto:laeecbg@shawgrp.com)*

## Davis-Bacon Act Flow-down of Responsibilities

<b>Level</b>	<b>Responsibilities</b>
<p><b>Recipient:</b></p> <p><b>Department of Natural Resources</b></p>	<ul style="list-style-type: none"> <li>Ensure that the applicable wage determinations are included in solicitations, assistance agreements, and the resulting contracts and grants.</li> <li>Maintain original weekly certified payroll forms on behalf of DOE.</li> <li>Conduct compliance audits.</li> <li>Conduct employee interviews.</li> <li>Report semi-annually to DOE.</li> </ul>
<p><b>Subrecipient:</b></p> <p><b>Parishes</b></p>	<ul style="list-style-type: none"> <li>Receive original weekly certified payrolls, review and submit to the Department of Natural Resources.</li> <li>Identify applicable wage determinations from <a href="http://www.wdol.gov">www.wdol.gov</a> and ensure that they are included in solicitations, procurement documents and contract awards.</li> <li>Ensure that all laborers and mechanics are paid on a weekly basis.</li> <li>Acknowledge receipt of labor clauses and responsibilities for DBA compliance (SF-1413).</li> <li>Conduct employee interviews.</li> </ul>
<p><b>Contractor/ Subcontractor</b></p>	<ul style="list-style-type: none"> <li>Pay all laborers and mechanics on a project funded or assisted in whole or part by ARRA funding on a weekly basis.</li> <li>Pay all laborers and mechanics on a project funded or assisted in whole or part by ARRA funding prevailing wages and fringe benefits.</li> <li>Submit to the Parishes weekly certified payroll records within seven days of payment.</li> <li>Post the wage determination and a Davis-Bacon Act poster (WH-1321) at the site of the work in a prominent and accessible place.</li> <li>Acknowledge receipt of labor clauses and responsibilities for DBA compliance (SF-1413).</li> <li>Maintain employee records during the course of the work and for a period of three years thereafter. Records to be maintained include:                             <ul style="list-style-type: none"> <li>– Name, address, and unique identifying number (i.e., last four digits of the Social Security number).</li> <li>– Work classifications.</li> <li>– Hourly rates of pay.</li> <li>– Daily and weekly numbers of hours worked.</li> <li>– Deductions made.</li> <li>– Actual wages paid.</li> <li>– Fringe benefits information.</li> <li>– Approved apprenticeship or trainee programs information.</li> </ul> </li> </ul>