

## PREVAILING WAGE COMPARISON CHART

*between Ohio state law and Federal law*

Issue	Ohio	Davis-Bacon/Federal
Which construction projects qualify as “prevailing wage” jobs?	<p><b>Threshold:</b> \$65,853 for new construction \$20,955 for remodeling <i>(as of 1/1/06, changes biennially)</i></p> <p>Applies to “public improvements,” which includes construction and improvements done pursuant to a contract with a public authority or when a public authority rents or leases the improvement within six months after completion of construction.</p>	<p><b>Threshold:</b> \$2000 (refers to prime contract)</p> <p>Applies to public construction projects under federal contracts, including highway building, dredging, cleaning, and painting and decorating of public buildings.</p>
Who must pay prevailing wage?	All contractors and subcontractors, but not suppliers and materialmen who supply basic inventory. See below for information on suppliers of items specifically fabricated for a prevailing wage job.	All contractors and subcontractors, but not suppliers and materialmen.
How does the law apply to off site work?	Prevailing wages must be paid to all laborers, workers and mechanics working directly on the site, and also to laborers and workers who make or produce the materials to be used in connection with the public work. This does not include workers who fabricate materials for the general inventory of a supplier where the supplies are not specific to any particular site. However, where the supplier is supplying goods specific to a particular site, the supplier must pay its workers prevailing wages.	Prevailing wages must be paid to mechanics and laborers employed directly on the site of the work. This has been judicially interpreted to include temporary facilities set up within ½ mile of the site for the purpose of supplying the site (such as a portable batch plants for supplying concrete).

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<p>May apprentices be used?</p>	<p>Apprentices may be used only where a rate for apprentice work appears in the prevailing wage rate schedule. Furthermore, the contractor may not utilize apprentices in excess of the ratio of journeymen to apprentices set in the schedule. The ratio must be maintained <i>at all times</i>. For example, if a journeyman calls in sick, putting the contractor “out-of-ratio,” an apprentice must be paid as a journeyman for that day.</p> <p>Apprentices must be enrolled in a bona fide apprenticeship program that is registered with the Ohio Apprenticeship Council.</p>	<p>Apprentices may be used on federal prevailing wage projects, so long as the apprentice is enrolled in a bona fide apprenticeship program registered with the U.S. Department of Labor. The wage schedule will not list apprentice wages, but rather wages should be set by the apprenticeship programs. Similarly, the apprenticeship program may set an appropriate ratio for journeymen to apprentices, which must be followed.</p>
<p>May helpers be used?</p>	<p>Serving laborers, helpers or assistants may be used only if a helper classification is included in the prevailing wage rate schedule. Furthermore, the contractor must abide by the set ratio of serving laborers, helpers or assistants to skilled workers.</p>	<p>Helper classifications may be issued in or added to a wage determination only where the (a) the duties of the helpers are clearly defined and distinct from those of the journeyman classification and from the laborer, (b) the use of such helpers is an established prevailing practice in the area, and (c) the term "helper" is not synonymous with "trainee" in an informal training program.</p>
<p>May trainees be used?</p>	<p>Trainees may be used only if a trainee classification is included in the prevailing wage rate schedule. Furthermore, the contractor may not utilize trainees in excess of the ratio of trainees to skilled workers.</p>	<p>Trainees may be used so long as the trainee is in a on-the-job training program registered in advance with the U.S. Department of Labor. The wage rate for trainees is set by the program itself, and no trainee classification will be found on the prevailing wage determination.</p>

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<p>How are fringe benefits handled?</p>	<p>The hourly rate for a worker can be made up of both cash payments and fringe benefits. The prevailing wage rate schedule will set a maximum for each individual type of fringe benefit. A contractor will not receive credit for any excess amount without providing documentation to support the excess credit.</p>	<p>The hourly rate for a worker can be made up of both cash payments and fringe benefits, and the wage determination may specify fringe benefits that must be paid. There are no maximum amounts set for fringe benefits (except for contributions to apprenticeship programs) and no exclusive list of the types of fringe benefits that will be allowed.</p>
<p>How do changes in the prevailing wage rates affect an ongoing project?</p>	<p>Ohio contractors have the duty to stay abreast of changes in the prevailing wage rates and adjust the wage rates of workers accordingly. Contractors can sign up at the Wage and Hour Bureau's website to receive automatic updates by e-mail.</p>	<p>The wage rates incorporated into the bid solicitation and contract will govern the entire contract (with some minor exceptions where the bidding process is extended over a long period of time).</p>
<p>How do workers learn about their rights under prevailing wage laws?</p>	<p>The contractor must post in a prominent and accessible place on the site of the work a legible statement of the schedule of wage rates specified in the contract, and must supplement when new wage rate schedules are issued. The posting must also include the name, address and phone number of the prevailing wage coordinator.</p> <p>In addition, before they begin work on a prevailing wage job, the contractor must provide notice to all workers of their classification, prevailing wage rate, fringe benefit amounts, and the name of the Prevailing Wage Coordinator for the project. A sample notification to employees is available on the Wage and Hour Bureau's website.</p>	<p>The wage determination (including any additional classifications and wage rates conformed) and a Davis-Bacon poster (WH-1321) must be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen.</p>

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<p>Does prevailing wage apply when the government intends to lease a facility?</p>	<p>Yes. A project is considered a “public improvement” where a public authority rents or leases it within six months after construction (which includes renovation or remodeling).</p>	<p>Yes. Prevailing wage obligations attach when the government enters into a lease/purchase arrangement. When the structure is a public building or public work, and where there is substantial and segregable construction activity, prevailing wage also applies to term leases and lease/option agreements.</p>
<p>Where can I find more information about prevailing wage requirements?</p>	<p>For more information about Ohio prevailing wage compliance, visit the Bureau of Wage and Hour’s website at: <a href="http://www.com.state.oh.us/laws/">http://www.com.state.oh.us/laws/</a> (after navigating to this page, click on Wage and Hour Bureau at the top of the page). There you will find sample forms and worksheets, updated information about threshold levels, as well as a tool for researching the current prevailing wage rates in any geographic area by trade.</p>	<p>For more information about the Davis-Bacon Act, visit the Department of Labor’s Davis-Bacon Act website at: <a href="http://www.dol.gov/esa/programs/dbra/">http://www.dol.gov/esa/programs/dbra/</a>. There you will find sample forms and notices, as well as answers to frequently asked questions and other information about federal prevailing wage compliance.</p>

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