

## **Labor Compliance Requirements (Prevailing Wage, SB 854 Etc.)**

Contractor/Vendor must comply with applicable labor compliance requirements including but not limited to the payment of prevailing wages and all requirements mandated by SB 854, including registration with the Department of Industrial Relations (DIR), submission of electronic Certified Payroll Records to the Labor Commissioner, and other requirements described on the direct links provided below as applicable.

### **Prevailing Wage Requirements**

Prevailing wages must be paid to all workers employed on a public works project when the public works project is over \$1,000. Accordingly, Contractor shall comply with applicable prevailing wage policies and all State Labor Code requirements pertaining to "public works," including the payment of prevailing wages in connection with construction, alteration, demolition, installation, maintenance or repair work components of the work (and the DBRA if applicable) (collectively, "Prevailing Wage Policies"). Contractor shall submit, upon request by Sweetwater Authority (Authority), certified copies of payroll records to the Authority and maintain and make records available to the Authority and its designees for inspection and copying to ensure compliance with Prevailing Wage Policies.

For more details, please refer to the applicable statutes and regulations regarding the payment of prevailing wages and General Prevailing Wage Determination(s), including the footnotes. Such information is available on the Department of Industrial Relations' website at <http://www.dir.ca.gov/>. Frequently asked questions can be found on the following link at [http://www.dir.ca.gov/OPRL/FAQ\\_PrevailingWage.html](http://www.dir.ca.gov/OPRL/FAQ_PrevailingWage.html).

### **SB 854 – Important Information for Contractors**

SB 854 (Stat. 2014, chapter 28) made several changes to the laws governing how the DIR monitors compliance with prevailing wage requirements on public works projects as follows:

- No contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
- No contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.
- This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- The prime contractor must post job site notices prescribed by regulation. (See 8 Calif. Code Reg. §16451(d) for the notice that previously was required for projects monitored by the CMU (Compliance Monitoring Unit).)

Additionally, all contractors and subcontractors must furnish certified payroll records directly to the Labor Commissioner (aka Division of Labor Standards Enforcement) on a weekly basis and in the format prescribed by the DIR, which may include electronic submission. The phase-in timetable for this requirement can be found on the following link at <http://www.dir.ca.gov/Public-Works/SB854.html> (also for all SB 854 related information).

***These new requirements will apply to all public works that are subject to the prevailing wage requirements of the Labor Code, without regard to funding source, except that if the work involves federal funds, the Contractor and all subcontractors shall be properly registered with the DIR by the time the Contract is awarded.***

Please refer to <http://www.dir.ca.gov/> for general requirements by DIR (Department of Industrial Relations in the State of California).

***For additional information about public works requirements, please visit the public works section at <http://www.dir.ca.gov/Public-Works/PublicWorks.html>.***