

Prevailing Wage Law Amended 8/8/08

Annual Updates to Multi-Year Public Construction Contracts

On August 8, 2008, the state prevailing wage law, M.G.L. c. 149, §27, was amended to require annual updates to prevailing wage schedules for all public construction projects lasting longer than one year.

- Awarding authorities are required to request these wage schedules from the Department of Labor Standards (DLS) on a timely basis.
- Contractors are required to obtain the wage schedules from awarding authorities, and to pay no less than these rates to covered workers.

FAQs

Q. What contracts need annual updates?

A. This law applies to all public construction contracts (contracts subject to M.G.L. c. 149, §27) bid on or after August 8, 2008. This law does not affect contracts bid prior to August 8, 2008.

Q. What if the awarding authority estimates that the project will last less than one year, but the work extends into a second contract year?

A. The awarding authority must request an annual update, and the contractor must obtain and pay those rates.

Q. When must awarding authorities request these updates?

A. Awarding authorities should request these updates no later than two weeks before the anniversary of the date the contract was executed by the awarding authority and the general contractor. For example, if a town enters into a three-year contract for road repairs on November 1, 2008, the town must request an updated wage schedule before November 1, 2009, and November 1, 2010. This request should be made by at least October 15 of each year to allow for processing time. The effective date for the new rates will be the anniversary date of the contract, regardless of date of issuance on the schedule. In this case, the rates would go into effect on November 1, 2009, and November 1, 2010, even if the schedules were issued by DOS on October 25 of each year.

Q. What are contractors obligated to do?

A. General Contractors must obtain these updated schedules from awarding authorities, and general and sub-contractors must pay no less than these rates to covered workers. Update schedules must also be posted in a conspicuous place at the worksite during the life of the contract. Failure to comply with the prevailing wage law may result in civil or criminal penalties and/or sanctions under M.G.L. c. 149, §27C.