## MASSACHUSETTS WORKFORCE DEVELOPMENT SYSTEM

## MassWorkforce Issuance

## 100 DCS 19.107

□ Policy ☑ Information

То:	Chief Elected Officials Workforce Development Chairs Workforce Development Directors Title I Administrators Career Center Directors Title I Fiscal Officers DCS Operations Managers
cc:	WIOA State Partners
From:	Alice Sweeney, Director Department of Career Services
Date:	January 5, 2017
Subject:	YouthBuild Compliance with Davis-Bacon and Related Acts (DBRA)
Purpose:	To notify Local Workforce Development Boards, One-Stop Career Center Operators and other local workforce partners of the Department of Labor (DOL), Employment and Training Administration (ETA) Training and Employment Guidance Letter (TEGL) No. 11-16, to clarify compliance with Davis-Bacon and Related Acts requirements for YouthBuild programs. The TEGL was released December 20, 2016.
Background:	US DOL-funded <u>YouthBuild</u> programs must provide hands-on construction experience for participants receiving industry-recognized construction training. These programs must provide qualifying work sites, per <u>TEGL 06-15</u> , at which participants learn construction skills through renovation, rehabilitation, or new construction of low-income housing projects.
	Davis-Bacon Act requirements apply to federal contracts for construction of public buildings and public works. In addition, many federal laws authorize federal assistance for construction through grants, loans, loan guarantees, and insurance and require the application of Davis-Bacon labor standards, including prevailing wage requirements, to such construction. These laws are referred to as Davis-Bacon "related Acts" or DBRA.

When DBRA applies, contractors and subcontractors must pay their covered laborers and mechanics employed under the contract no less than the locally prevailing wage rate for corresponding work similar projects in the area. DBRA directs DOL to determine such locally prevailing wage rates.

As DBRA prevailing wage rate rules apply under a number of different HUDadministered statutes, determining when the Davis-Bacon requirements apply is important. Under some of these statutes, there are coverage thresholds below which prevailing wage rates do not apply:

- The Community Development Block Grant (<u>CDBG</u>)
- The Home Investment Partnership Program (HOME)

Per DBRA, apprentices and trainees may be paid less than the applicable DBRA prevailing wage rates only if they meet specific conditions (see <u>29 CFR 5.5(a)(4)</u>). The conditions can be met for apprentices individually registered in a bona fide apprenticeship program registered either with the National Office of Apprenticeship or a State Apprenticeship Agency recognized by the Office of Apprenticeship, or trainees individually registered in specific training programs that are certified by the DOL ETA.

Please review the entire TEGL and its references for complete YouthBuild compliance with Davis-Bacon and Related Acts.

## Action

**Requested:** Please disseminate this information to appropriate staff and workforce partners.