

2024

# The Annual Prevailing Wage Survey

September 1-October 31

## Overview of the Prevailing Wage Law

Maryland's Prevailing Wage Law (State Finance & Procurement Article (SF&P), Title 17, subtitle 2) generally applies to "public works" projects, including school construction projects, where the contract value is \$250,000 or greater with state funding of 25% or more.

### Obligations of Contractors Include the Following:

- Post the prevailing wage determination at the job site (SF&P, 17-219)
- Pay workers at least the full "prevailing rate" for all hours worked on the project, at the correct rate for the classification of work performed (SF&P, 17-214(a))
- Pay overtime (time and a half) for all hours worked over 10 in a calendar day, over 40 in a week, or any hours on Sunday or a legal holiday (SF&P, 17-214(b))
- Employ only journeypersons or registered apprentices (SF&P, 17-205(a)(1)), and satisfy obligations to contribute to apprenticeship in the State (SF&P, 17-604)
- Timely submit payroll records reflecting all hours worked on the project and rates paid for those hours, certified to be true and correct (SF&P, 17-220)

#### Obligations of Public Officials Include the Following:

**Procurement officials** must...

- Request a wage determination before advertising a covered project for bid (SF&P, 17-210(a))
- Include the determination in the bid solicitation and the contract award (SF&P, 17-210(c)
- Require a bond to ensure payment to workers (SF&P, 17-213)
- Withhold funds upon notice of certain violations of the prevailing wage laws (SF&P, 17-221(a) & (e))

#### **Public bodies** must...

 Ensure that the requirements of the law are met before voting to award a contract

### The Annual Wage Survey

The Prevailing Wage Unit conducts an annual survey of wages paid throughout the State.

The survey period (the period during which data is collected) runs September 1 through October 31.

Submission of data is voluntary.

### Who May Participate?

- General contractors
- Subcontractors
- Contractor or employer associations
- Labor organizations

### You must be registered in the portal to submit!

The Commissioner encourages all interested parties to participate so that the rates are as representative as possible.

### What Rates are Accepted for the Survey?

- Nonresidential construction both prevailing wage and non-prevailing wage projects
- Work performed in the State of Maryland
- During the 12-month period 9/1/23 through 8/31/24 (COMAR 21.11.11.03.E(2))

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### The Survey Process: New in 2024

- Multiple workers in the same classification paid the same rate need not be entered separately
- The time period has shifted up (Sept. 1 through Aug. 31 instead of Nov. 1 through Oct. 31) to comply with the COMAR
- The unit encourages submission of collective bargaining agreements (CBAs), per COMAR 21.11.11.03.C.(2)
- Commissioner may audit a certain percentage of submissions to validate data – submitters should retain underlying records, and be aware that submitting means they are attesting to the accuracy of the data

# The Survey Process: What Rates are Set by the Survey

- Each classification of work
- In each "locality" meaning for each county, plus Baltimore City
- For two general categories of work: building and highway (which includes other heavy construction work)

# The Survey Process: How Rates are Determined (SF&P, 17-208)

- Straight-time hourly rate and fringe amount paid
  - to journeypersons (not apprentices!)
  - in the locality (counties and Baltimore City)
  - for work performed by the classification
  - on either building or highway projects
  - to 50% or more of the workers in the classification.
- If 50% or more are not paid the same rate, then the rate is what is paid to at least 40% of the workers
- If 40% are not paid the same rate, then the rate is set by a weighted average

If there is insufficient data for a particularly classification in a locality, the Commissioner may "borrow" the rate for that classification from a similar locality (SF&P 17-208(2)

### How Rates are Determined (SF&P, 17-208) (cont'd)

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# The Survey Process: Acceptable "Fringe" Amounts (SF&P, 12-208(d))

Requirements for inclusion:

- "Hourly rate of contribution"
- "Irrevocably made"
- To a third person
- Under a fund, plan or program that provides "bona fide" fringe benefits as defined in the law (SF&P, 12-208(d)(1))

Note: Contractors with self-funded benefit plans **must demonstrate** that the hourly cost is that which "may reasonably be anticipated" to provide the bona fide fringe benefit under "an enforceable commitment" to carry out a "financially responsible plan or program" that must be "communicated in writing to workers" (SF&P, 12-208(d)(2)).

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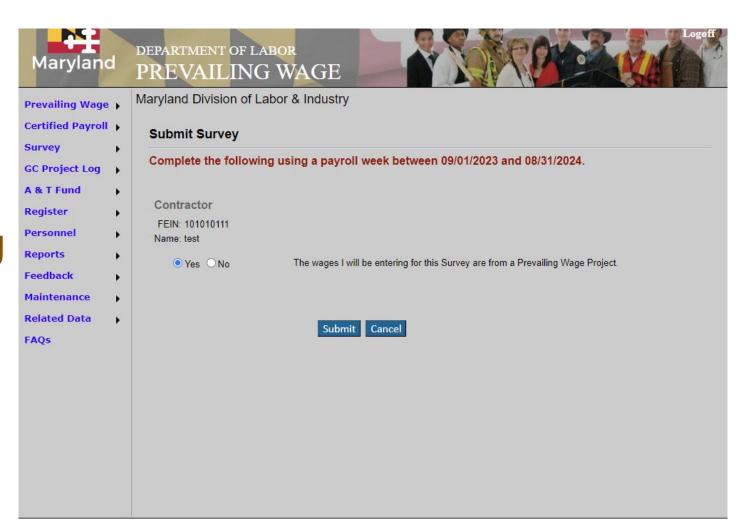
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# Submitting Data for Consideration in the Survey: Step by Step

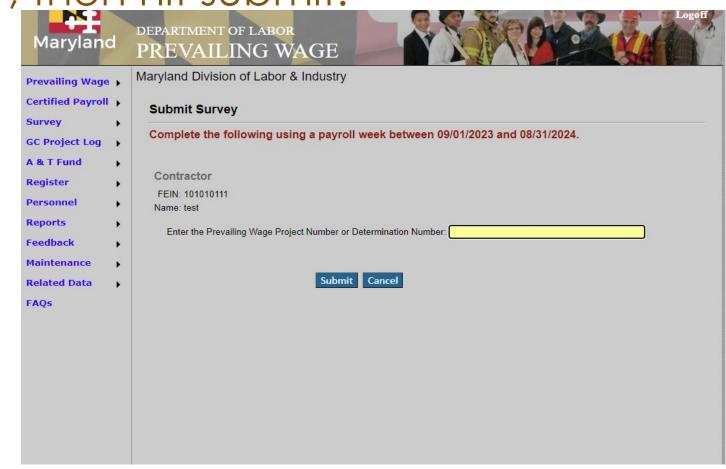
Step 1: Register!

### **Getting Started**

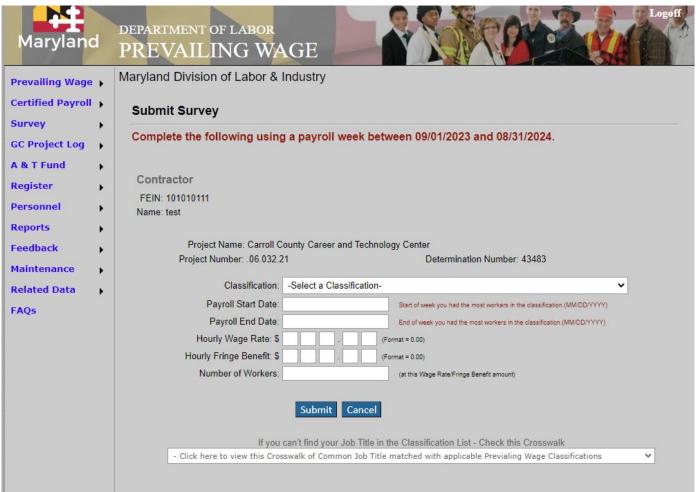
Use your credentials to log into Maryland's Prevailing Wage website



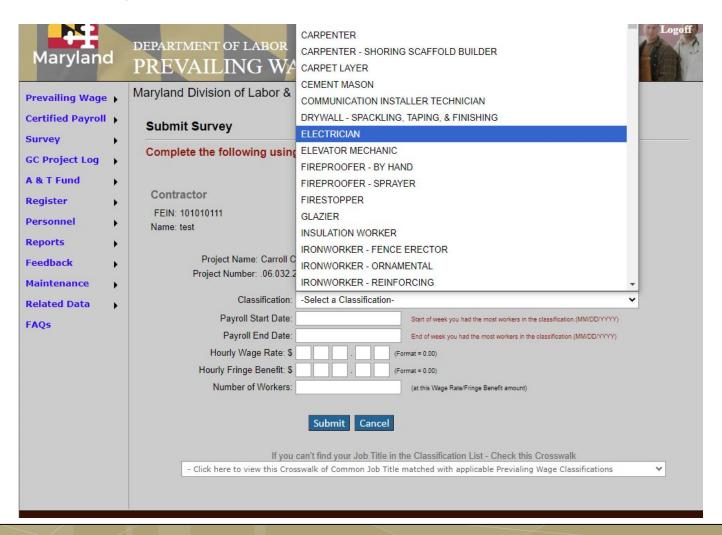
If you are entering data for a prevailing wage project, enter the determination number, then hit submit.



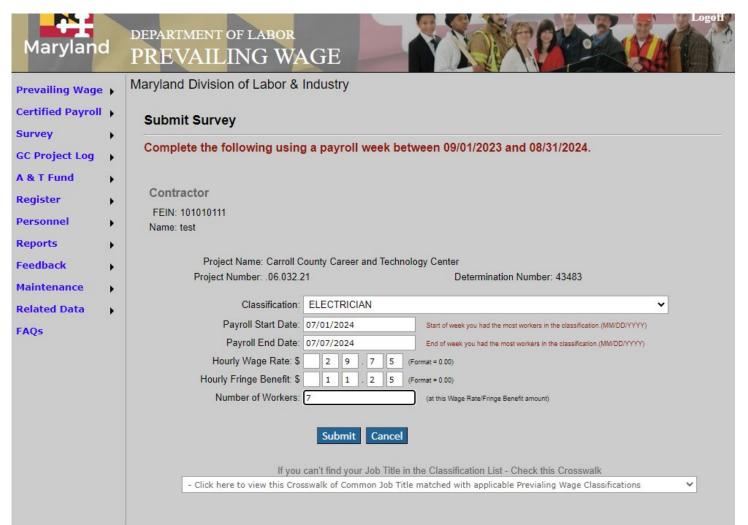
# The project information will automatically populate. Next, select the classification.



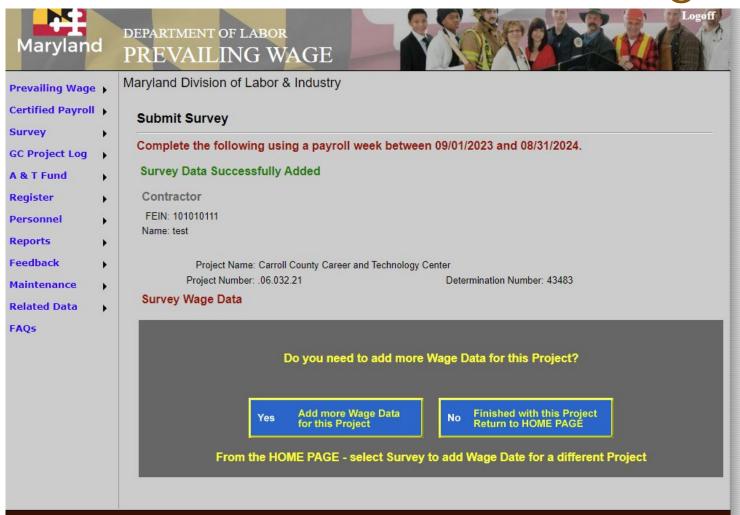
#### Use the dropdown menu to select a classification.



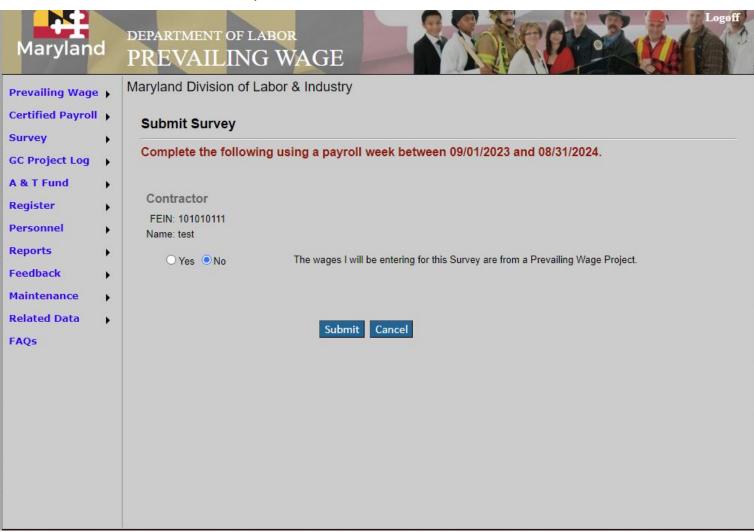
# Enter the payroll dates, rates, and number of workers.



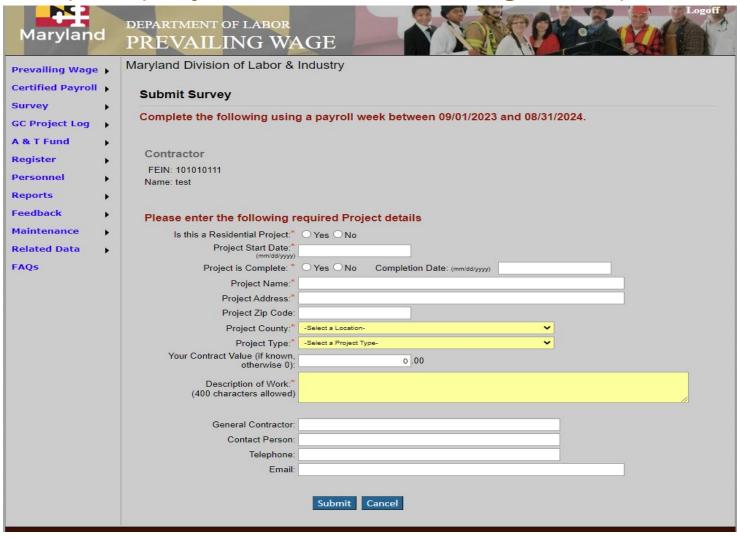
### You'll receive a success message.



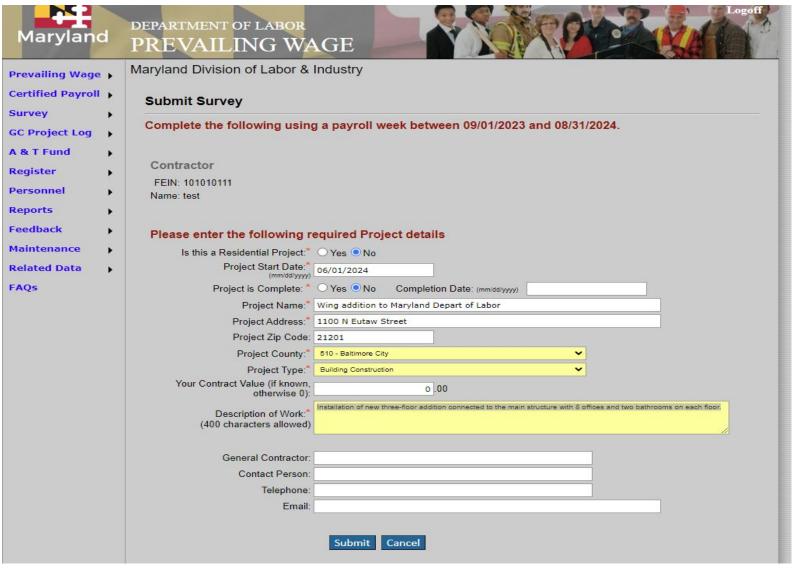
If your submission is not for a prevailing wage project, select no on the initial screen, and then hit "Submit."



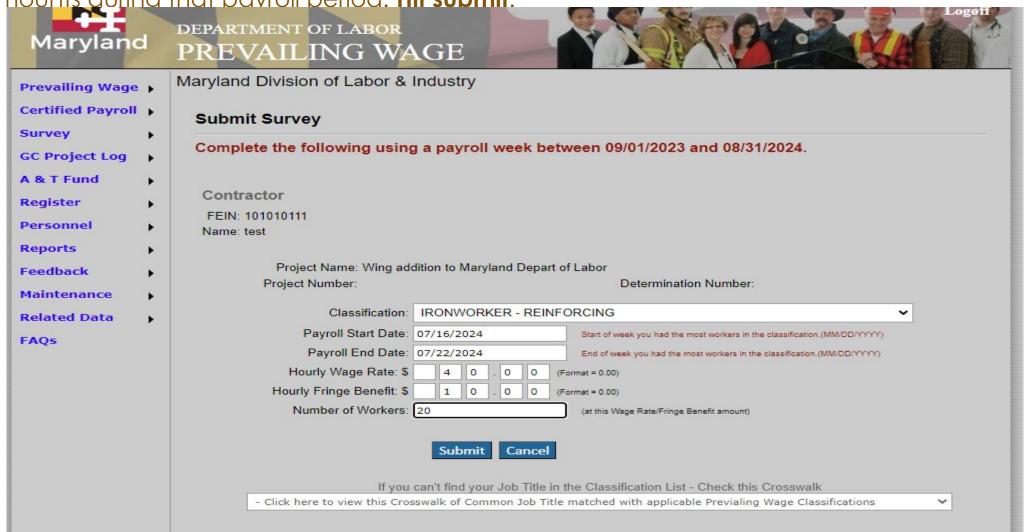
#### Enter your project details, including all required fields



#### Required fields are marked with an asterisk.



Select the classification, enter the payroll dates, enter the wage and fringe amounts, and enter the number of workers in the selected classification receiving those wage and fringe amounts during that payroll period. **Hit submit**.



### **DOUBLE CHECK BEFORE YOU HIT SUBMIT!**

- Remember: submission means that you are attesting to the accuracy of the information!
- You will receive a submission receipt when you successfully submit
- If you make a mistake, please send your submission receipt, along with the correction or withdrawal request, to the Prevailing Wage email address.
- Retain all backup information so that you can produce it easily if your submission is selected for validation

### RECAP:

- The survey is open between September 1- October 31 at midnight.
- This year, the Commissioner has made several changes to the submission process to conform with the COMAR, and, based on your feedback, to make completing the Annual Survey easier to manage
- Your participation is encouraged! The survey is voluntary and the more submissions we receive, the more representative the rates paid in your area in the coming year

### Questions? Contact us!

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