
OLR Bill Analysis

HB 7007

Emergency Certification

AN ACT CONCERNING THE CODIFICATION OF PREVAILING WAGE CONTRACT RATES.

SUMMARY

This bill revises the method the labor commissioner must use to set prevailing wage rates on public works projects. The prevailing wage law requires contractors on public works projects to at least pay the prevailing hourly wage rate (including benefits), as determined by law, to all eligible workers on the project. The requirement applies to new construction projects of \$1,000,000 or more and renovation projects of \$100,000 or more.

Current law allows the commissioner to set the rates in one of two ways: (1) on his own, after (a) holding a hearing to determine the prevailing wage rates on any public work within a specified area and (b) establishing classifications of skilled, semiskilled, and ordinary labor, or (2) by adopting and using the applicable prevailing wage rate determinations made by the federal labor secretary for the federal prevailing wage law. In practice, the labor commissioner uses the federally-determined rates for the four types of covered projects: building, heavy, highway, and residential.

The bill eliminates the commissioner's option to use the federally-determined rates on building, heavy, and highway projects. Instead, it allows the commissioner to either hold the hearing, as described above, or make the prevailing wage rate for each trade or occupation the same as the rate established in the dominant collective bargaining agreement or understanding between employers or employer associations and bona fide labor organizations for that trade or occupation in the town where the project is being constructed. If there

is no collective bargaining agreement for a trade or occupation in the town, then the commissioner must use the federally-determined rates.

As under current law and unchanged by the bill, for residential prevailing wage projects the commissioner may hold hearings and set his own rates or use the federally-determined rates. The U.S. Department of Labor defines residential projects as single- or multi-family houses or apartments or student housing of no more than four flights.

EFFECTIVE DATE: July 1, 2021