

Setting Prevailing Wage Rates

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Issue

This report describes how prevailing wage rates are determined in Connecticut.

Summary

Connecticut law generally requires contractors (including subcontractors) on most state or local public works projects to pay their construction workers a “prevailing wage.” This is the wage and benefits equal to those that are customary or prevailing for the same work, in the same trade or occupation, in the same town ([CGS § 31-53](#)).

State law ([CGS § 31-53\(d\)](#)) allows the labor commissioner to set prevailing wage rates in one of two ways: (1) on his own, after (a) holding a hearing to determine the prevailing rate of wages and benefits 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.

Prevailing Wage Thresholds

In Connecticut, prevailing wage requirements apply to public works that will cost at least \$1 million for new construction or at least \$100,000 for renovations ([CGS § 31-53\(h\)](#)).

In practice, the labor commissioner uses the federally-determined [rates](#). The federal rates are prepared by the U.S. Department of Labor’s (USDOL) Wage and Hour Division, under federal regulations, and primarily through a survey program administered by the division.

Federally-Determined Rates

Under federal regulations, the prevailing wage for any class of workers (e.g., electricians) is the wage paid to the majority of that type of worker on similar projects in the area during the period in

question. If the majority of that type of worker is not paid the same wage, the prevailing wage is the average wage, weighted by the total employed in the class ([29 C.F.R. § 1.2](#)).

To determine prevailing wage rates, the regulations require USDOL's Wage and Hour Division to conduct a continuing program for obtaining and compiling wage rate information. It must encourage voluntary submissions of wage rate data by contractors, contractors' associations, labor organizations, public officials, and other interested parties. It may also obtain from agencies data about wage rates paid on construction projects in their jurisdictions ([29 C.F.R. § 1.3\(a\)](#)).

The regulations allow the division to consider the following when making wage rate determinations:

1. statements showing wage rates on projects;
2. signed collective bargaining agreements;
3. public construction wage rates set by state and local officials under state and local prevailing wage laws;
4. for certain types of federal highway projects, consultations with the state highway department where the work will be performed;
5. wage rate data submitted to USDOL by certain federal contracting agencies; and
6. any other pertinent information ([29 C.F.R. § 1.3\(b\)](#)).

According to [USDOL](#), the department determines prevailing wages by obtaining and compiling wage rate information through a survey program. The survey process generally involves the following steps:

1. determining survey parameters, including the geographic scope, type of construction, and time frame;
2. identifying active projects in the area to be surveyed;
3. conducting pre-survey briefings to explain the survey process to contractors and other interested parties;
4. notifying interested contractors and parties (e.g., unions and contractor associations);
5. collecting and analyzing data to determine prevailing wages; and
6. publishing the subsequent prevailing wage rates.

Additional information about the survey process the division uses to determine prevailing wage rates is available [here](#) and [here](#).

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