



SDHC Labor Compliance Unit

The San Diego Housing Commission (SDHC) Labor Compliance Unit administers prevailing wage and apprentice utilization requirements for public works projects financed with state and federal funds.

Through its proactive outreach, training and technical assistance efforts, the SDHC Labor Compliance Unit ensures that SDHC and its contractors are aware of and comply with the appropriate federal and/or state requirements.

One-on-one technical assistance is available in addition to regularly scheduled training sessions. Please contact the SDHC Labor Compliance Unit for additional information.



What the SDHC Labor Compliance Unit Does

To ensure that contractors follow prevailing wage law, when it applies, the SDHC Labor Compliance Unit:

- Monitors SDHC-awarded projects and maintenance contracts for compliance;
- Works collaboratively with SDHC departments;
- Attends and presents information at pre-bid and pre-construction meetings;
- Provides technical assistance, as needed;
- Reviews weekly certified payroll records;
- Monitors the utilization of apprentices (as applicable);
- Resolves classification/underpayment issues;
- Conducts on-site interviews; and
- Ensures contractors’ and subcontractors’ compliance with regulations.



California Prevailing Wage

California prevailing wage law requires contractors on public-works projects to pay the prevailing rate of hourly wages and fringe benefits as specified by the Department of Industrial Relations (DIR) for projects valued at \$1,000 or more. Contractors may follow the steps listed below to comply with California prevailing wage law:

- Obtain a copy of the relevant prevailing wage determinations from the DIR website: “General prevailing wage determinations are issued twice a year (Feb. 22 and Aug. 22) and become effective 10 days after each date;”
- Ensure all project contractors and subcontractors maintain a copy of certified payroll records for each worker;
- Attach a “Statement of Compliance” for each submitted Certified Payroll Report;
- Properly pay overtime to all employees for work performed in excess of eight hours per day or 40 hours per week;
- Post all SDHC Compliance Monitoring Unit and labor posters in a visible location on each jobsite; and
- Respond to all requests for certified payroll records.

California prevailing wage violations may result in:

- Penalties of \$200 per day per each worker paid less than the prevailing wage;
- Prime contractor and subcontractor liability for back wages; and
- Debarment from future contracts for up to three years.





Federal Davis-Bacon and Related Acts Prevailing Wage

The federal Davis-Bacon and Related Acts (DBRA) apply to nearly all federal contracts funded by the American Recovery and Reinvestment Act of 2009 and most federally funded construction projects. DBRA requires contractors who engage in federally funded construction projects valued at \$2,000 or more to pay their workers the local prevailing wage and fringe benefit rate set forth by the U.S. Department of Labor.

Contractors are required to:

1. Ensure all subcontractors – including tier subcontractors – must comply with all DBRA rules;
2. Pay prevailing wage to all workers employed on a project;
3. Classify workers accurately according to the work they perform;
4. Submit copies of certified payrolls to contracting agencies weekly; and
5. Attach a “Statement of Compliance” to each submitted certified payroll.

DBRA violations may result in:

- Contract termination;
- Contractor liability for unpaid wages and fringe benefits; and
- Debarment from future contracts for up to three years.





Interested in Learning More?

The following websites provide additional information:

Public Works:

www.dir.ca.gov/Public-Works/PublicWorks.html

California Wage Determination:

www.dir.ca.gov/OPRL/DPreWageDetermination.htm

Public Works Payroll Reporting Form (A-131):

<http://www.dir.ca.gov/dlse/DLSE-Forms-PW.htm>

Federal Wage Determination:

www.wdol.gov



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Contact the SDHC Labor Compliance Unit

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SAN DIEGO
HOUSING
COMMISSION

Established in 1979, the San Diego Housing Commission provides a variety of award-winning affordable housing programs and services that stimulate the local economy, revitalize neighborhoods, and impact the lives of more than 125,000 individuals in the City of San Diego annually.

San Diego Housing Commission 1122 Broadway, Suite 300 San Diego, CA 92101 www.sdhc.org

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