

## **DOL Announces Updates to Davis-Bacon Act Regulations**

Last week, the Department of Labor (DOL) announced the issuance of a [final rule](#) to update regulations that implement the Davis-Bacon Act and Related Acts (DBRA). The rule will raise wage standards of construction workers by updating prevailing wage regulations issued under the Davis-Bacon and Related Acts, which require payment of locally prevailing wages and fringe benefits to workers on federally funded or assisted construction projects. The final rule will be published in the Federal Register next week and will go into effect on Oct. 23, 2023.

The final rule adds a new sub-definition to the term “construction, prosecution, completion, or repair” to the existing regulation to clarify when demolition and similar activities are covered by the Davis-Bacon labor standards. Specifically, the final rule clarifies that demolition and removal activities are subject to DBRA labor standards when such activities in and of themselves constitute construction, alteration, or repair of a building or work. If the demolition is part of a contract for construction of a building or work or if such construction is contemplated as part of a future contract, then the demolition is also within the scope of the DBRA labor standards.

According to DOL’s published guidance, this new sub-definition “is already reflected in current DBRA sub-regulatory guidance and the Service Contract Act regulations and does not expand coverage or increase burdens or complexity.” However, NDA will be closely monitoring DOL’s implementation of these regulations and will follow up with the Department as necessary.

A summary of the final rule along with guidance from DOL are detailed below:

- Updates the DOL’s definition of “prevailing wage” to return it to the definition used from 1935 to 1983.
- Makes the prevailing wage equivalent to the wage paid to at least 30% of workers, rather than 50% of workers, in a given trade in a locality. Prior to the new rule, if the majority of workers in a given trade and locality did not earn a single wage rate, then the prevailing wage was determined by the average wage in a given trade in a locality.
- Gives the DOL’s Wage and Hour Administrator the express authority to adopt prevailing wages determined by state and local governments, issue wage determinations for labor classifications where insufficient data was received through the wage survey process, and update outdated wage rates.
- Includes new debarment and anti-retaliation provisions. It also strengthens DOL’s ability to withhold money from a contractor in order to pay employees their lost wages.

The DOL will be hosting webinars in September to provide an overview of the new DBRA regulations to federal contractors. The webinar registration link is listed below.

### **Additional Information**

- [Final Rule Text: Updating the Davis-Bacon and Related Acts Regulations](#)
- [Comparison Chart: Old Rule vs. New Rule](#)
- [Frequently Asked Questions](#)
- [Webinar Registration link](#)