Information for Preconstruction Conferences

Labor Regulations for All Federal Aid Projects

A. Full Wages earned must be paid
B. Deduction from wages must be authorized.
C. Proper records must be kept.
D. Weekly statements must be submitted by the contractor and all subcontractors.

Prevailing Wage Rates
a) Wages paid to laborers and mechanics must not be less than the determined hourly wage rates, including fringe benefits, shown in the minimum wage schedule made a part of the contract.
b) Laborers and mechanics must be properly classified and paid according to the work actually performed.
c) Laborers and mechanics must be paid not less often than once a week.
d) The minimum wage schedule and supplements thereto must be posted at the project site so as to be available to all employees.
e) All employees must be paid at least the prevailing wage rate as specified in the determination of the United States Department of Labor or the New Jersey Department of Labor, whichever is higher.
f) Overtime pay requirements as specified by these determinations must also be met.
g) The labor regulations must have been made a part of this contract.
h) If the prime contractor fails to comply with these provisions, the Resident Engineer is empowered to cause the termination of the contractor or subcontractor’s right to proceed with the work.
i) All subcontractors must be alerted to all of the labor provisions made part of the contract and must comply with all the regulations.

a) Eight hours standard work day. Forty hours standard work week. Though standard, not exclusive. Many classifications have the choice for 4 to 10 hour days.
b) One and one-half basic rate of pay exclusive of fringe benefit payments for all hours over eight hours per day or 40 hours per week.
c) Contractors are liable to workers for unpaid wages.
d) Contractors are liable to the Federal Government for liquidate damages at $10.00 per day per man per violation.
e) Subject to withholdings for unpaid wages and liquidated damages.
f) Comptroller General authorized to pay workers from withholdings.
g) Appeals to Federal Highway Administrator, Secretary of Labor, and Court of Claims, within 60 days from withholding or final order.
h) Intentional violations a Federal misdemeanor ($1,000 fine and/or six months in prison.)

a) Minimum wage of $3.35 per hour. This rate does not apply to any laborers or mechanics employed on the project.
b) Time and one-half pay for overtime in excess of 40 hours worked in a work week. Stipulations for double time rates under certain circumstances.
c) Limitations on Child labor.
d) It is the Contractor’s responsibility to request ruling from U.S. Department of Labor relative to applicability of Act.
False Information Act (18 U.S.C 10001)
   a) The making or use of false statements is a felony.

Sanctions
   a) Violations of acts may result in withholding termination of contract, administrative debarment and or criminal prosecution.

Classification or Reclassification of Employees
The minimum wage schedule should be examined with the contractor to ascertain the need for classification or reclassification of laborers and mechanics.

Where classification or reclassification of laborers and mechanics is undertaken, a report must be submitted to the Secretary of Labor for approval.

Apprentice (required Contract Provisions, PR 1273, Sec. IV, 5 & 6)
Apprentices can be employed only under a registered program. Proper ratio of apprentices to journeymen must be maintained.

Contractors or subcontractors must submit written evidence of registration (apprenticeship agreement or statement of registration).

Employees classified as apprentices who are not registered must be paid rates shows in minimum wage schedule, on the basis of the classification of work they actually perform.

Apprentices and Trainees (Program of Department of Transportation)
Apprentices and trainees working under apprenticeship and skill training programs which have been certified by the Secretary of Transportation as promoting equal employment opportunity in connection with the Federal-aid highway construction programs shall be paid the straight time hourly wage rates established by the particular program.

Payrolls and Records
   a) A copy of each weekly payroll must be submitted by the prime contractor and each subcontractor within seven days of the payment date thereof. The required Statement of Compliance Form CR_347 must accompany each payroll.
   b) Payrolls must be complete and must contain the following:
      1) The employees’ full name and in individual identifying number (e.g. last four digits of employee’s social security number) on each weekly payroll submitted.
      2) Specified work classification or classifications performed by each employee during the pay period.
      3) The employee’s hourly wage rate and, where applicable, his overtime hourly wage rate.
      4) The daily and weekly hours worked in each classification, including actual overtime hours work (not adjusted)
      5) The itemized deductions made and net wages paid.
      6) Contract identification number including route and section.
   c) Delay in submittal of payroll will result in delay in processing payment estimates.
   d) Prime contractor is responsible for the submittal of payrolls by subcontractors.
   e) All basic records pertaining to the payrolls, including time cards, must be preserved for a period of three years after completion of the project.
Equal Employment Opportunity
All of the Equal Employment Opportunity provisions contained in Article 1.6.3 of the Supplementary Specifications shall be strictly adhered to by the contractor of any subcontractor performing work on the project.

The Specific Equal Employment Opportunity Responsibilities contained in this contract under “Federal Highway Administration Order Interim 7-2(1) Attachment, shall be strictly adhered to by the contractor or any subcontractor performing work on this project.

Noncompliance by the contractor with the requirements of the Affirmative Action Program for Equal Employment Opportunity specified in Article 1.6.3 may be cause for delay or withholding monthly and final payments of estimates pending corrective and appropriate measures by the contractor to satisfaction of the Department.

Every employer, employment agency, labor organization and joint labor management committee controlling an apprenticeship or other training program as the case may be, shall post and keep posted in conspicuous places upon its premises where notices to employee, applicants for employment, members, and trainees are customarily posted the following notice, Known as “Equal Employment Opportunity is the Law, Discrimination is Prohibited,” as printed by GPO: 1970 0-387-525. Copies may be obtained from the District Engineer.

Convict Labor
Use of Convict labor is forbidden.

Final Certificate
Upon completion of the contract, the contractor shall submit form DC- 123 “Contractor’s Final Certificate of Compliance” in duplicate, to the Resident Engineer.

Information Pertinent to Truckers
The prime contractor is warned that is his responsibility to insure himself that the proper rates are paid all employees. He is urged to require payrolls to be filed by all organizations and in the case of owner-operators or equipment rental companies who provided operators for their equipment, an affidavit should be obtained by the prime showing the cost of the equipment and the rate paid by the operator.

Any trucker performing a function which is an integral part of the Contractor’s work obligation must be paid the prevailing wage rate for his class of work regardless of the number of trucks used. Truckers excluded from payment of prevailing wage rates are only those employed by a bona fide material supplier and are only delivering material to the project site.

A bona fide material supplier is an organization that has facilities that are open to public sales and are selling 50 percent or more to the public and whose establishment has not been set up exclusively for the project.

Pay and Payrolls for Owner-Operators of Truck
Payroll information for each driver employee of truck owner-operators, regardless of the number of trucks owned by one owner-operator, must be shown as for any other laborer or mechanic, on the certified payroll returns of the owner-operator employer, or on the certified payroll returns of the subcontractor or contractor for whom the trucking work is performed.
worker including his name, the type of work he is performing or his labor classification and the type of pay.

These records must be kept of all employees of the prime contractor and subcontractor working on the project. These records must be kept of all employees working as a part of an interview conducted in order to certify compliance with the pay provisions. The records of these interviews must be kept.

Employment Interviews

The term subcontractor includes third-tier subcontractors.

Presently performing this service of approval of requests to sublet, any organization which has not been approved by the commission, the Bureau of Construction Services is required to submit the above provisions and to the consent of the contractor. The subcontractor shall not sell, transfer, assign, hypothecate or otherwise contract in form FA 12TR must be included in each subcontract.

The prime contractor is responsible for violations of labor provisions by his subcontractor.

Subcontracts

The box under (c) should be checked to indicate any exceptions to either (a) or (b).

(b) Funds of Subcontractors

(i) The lower portion should be completed in accordance with the requirements of the U.S. Department of Labor.

(ii) Statement of Compliance (CN-237-R) must be submitted to the U.S. Department of Labor.

(iii) Employees may use any applicable method to indicate the payment or the required fringe benefits.

(iv) When applicable, the subcontracts may be submitted as an attachment to the proposal.

(v) When the proposal form is limited, supplementary data may be submitted as an attachment to the proposal form.

(vi) The proposal form shall be accompanied by a statement of compliance form CN-237-R.