

Lancaster City Revitalization and Improvement Zone Authority

c/o Lancaster City Alliance
115 East King Street
Lancaster, Pennsylvania 17602
717-394-0783

Prevailing Wage Act Compliance Guidance for Projects Supported by CRIZ Financial Assistance

***Disclaimer:** The guidance/instructions that follows is/are not intended to, and do(es) not constitute, legal advice of any kind, and the accuracy, completeness, or adequacy of the information provided hereinafter is not warranted or guaranteed. Compliance with the Pennsylvania Prevailing Wage Act, when required, is the responsibility of the City Revitalization and Improvement Zone (CRIZ) financial assistance beneficiary (i.e., grantee/borrower), and NOT the responsibility of the Lancaster CRIZ Authority.*

When is Pennsylvania Prevailing Wage Act compliance required?

Pursuant to state law, recipients of CRIZ financial assistance (“CRIZ grantees/borrowers”) are subject to compliance with the Pennsylvania Prevailing Wage Act for qualifying construction projects. **If the total cost of a project receiving state funds from the CRIZ Program exceeds \$25,000, then all contractors (including subcontractors) working on the project must pay laborers used on the project the appropriate Prevailing Wage labor rates as required by law. There are no exceptions.**

Please provide a copy of the Prevailing Wage decision provided by the PA Department of Labor & Industry (via the Lancaster CRIZ Authority) to all contractors providing construction pricing to you for your project. The contractors will need to use the labor rate information provided in the decision to ensure they quote an appropriate price that takes into consideration the wages they will be required to pay all workers on the project.

The only exception to the above is if the contractor is a sole-proprietor and does not employ any employees that will also work on the project. A sole-proprietor is not required to pay themselves a prevailing wage rate. However, if a sole-proprietor contractor expects to use any employee or pay another person to assist on the project that is not an employee, then the contractor must pay those individuals the appropriate prevailing wage rate.

Ensuring Contractors are Eligible to Work on a Project Subject to Prevailing Wage Act

Pursuant to state law, contractors and subcontractors may not work on any projects subject to the Pennsylvania Prevailing Wage Act if they have been debarred. Contractors are often debarred for failure to pay prevailing wage labor rates or for fraudulently reporting wages that were paid. There may be other reasons why a contractor has been debarred. To confirm whether or not a contractor intended to work on the project has been debarred, visit the PA Department of Labor & Industry’s [“Debarments and Settlements”](#) page.

Prevailing Wage Awarding Agency Form

Once contractor(s) has/have been selected for the project, a [Prevailing Wage Awarding Agency Form](#) must be submitted to the PA Department of Labor & Industry. This form is in a PDF fillable format.

An example and blank copy of the Prevailing Wage Awarding Agency Form is provided as part of this document as an Exhibit.

Required Completion of Certified Payroll Certificates by Contractors

Once a CRIZ grantee/borrower has entered into a contract with (a) contractor(s), **the contractor(s) and any subcontractor(s) as applicable will then be required to complete a weekly “[Certified Payroll Certificate](#)” for each week they are under contract until their contracted work has been completed.**

- If they do not perform work in any given week while under contract, then the Contractor must submit a properly completed Certificate with the words “No Work Performed” in the first “Employee Name” block on the form.

Pursuant to the CRIZ grantee/borrower's Contract with the Lancaster CRIZ Authority executed after financial assistance has been approved, **the CRIZ grantee/borrower will be responsible for ensuring that properly completed Certificates have been submitted to them by each contractor, and those contractors' subcontractors, working on the project. The CRIZ grantee/borrower must ensure they have paid the correct prevailing wage for the position identified for the employee and properly complete and sign the back of the Certificate including the “Certified Statement of Compliance.”**

An example and blank copy of the Certified Payroll Certificate is provided as part of this document as an Exhibit.

Failure to Comply with Pennsylvania Prevailing Wage Act Regulations

Compliance with the Pennsylvania Prevailing Wage Act, when required, is the responsibility of the City Revitalization and Improvement Zone (CRIZ) financial assistance beneficiary (i.e., grantee/borrower), and NOT the responsibility of the Lancaster CRIZ Authority.

While the Lancaster CRIZ Authority recommends CRIZ grantees/borrowers engage the services of someone to be responsible for reviewing the weekly payroll certificates and work with contractors to correct any errors or underpayments of required wages, it is not required.

Pursuant to CRIZ grantee/borrowers' Contract with the Lancaster CRIZ Authority, however, the CRIZ grantee/borrower will be liable for any errors.

******Failure to comply with the Prevailing Wage Requirements could cause a CRIZ grantee/borrower to be required to repay the Lancaster CRIZ Authority the amount of any or all financial assistance provided if the CRIZ grantee/borrower is unable to get contractors to properly correct any deficiencies on the submitted Certificates and pay employees any "underpayment" that has been determined, as may be required by the PA Department of Labor & Industry.******

Demonstration of Compliance with the Pennsylvania Prevailing Wage Act

CRIZ grantees/borrowers must retain all required compliance documentation on file in the event of an audit by the PA Department of Labor & Industry of wages paid to contractors working on the project.

All compliance documentation will also need to be provided to the Lancaster CRIZ Authority for its files to demonstrate compliance with the Pennsylvania Prevailing Wage Act requirements.

Additional Information and Resources

The PA Department of Labor & Industry's "[Prevailing Wage Quick Links](#)" webpage also has other resources that could be helpful to the CRIZ grantee/borrower, and contractors or subcontractors working on Prevailing Wage project, including:

1. A copy of a [Prevailing Wage Poster](#) that must be placed on the job site where employees of contractors can see that the project is one covered by the PA Prevailing Wage Act. **A copy is also attached to this document as an Exhibit and may be printed for use on the job site as required.**
2. A copy of the [Pennsylvania Prevailing Wage Act](#) (Act of Aug. 15, 1961, P.L. 987, No. 442).
3. A copy of the [Pennsylvania Prevailing Wage Act Regulations](#).
4. Documents explaining the use of Apprentices and Trainees on a job where prevailing wage labor rates are required to be paid.
5. **Notes as Referenced in Prevailing Wage Rate decisions.** These documents provide additional definitions of labor classifications for projects. Please be sure to reference definitions for Lancaster County. (The counties to which definitions apply are listed at the top of each page.)



IT'S THE LAW!

Under the **PREVAILING WAGE ACT**, the Pennsylvania Department of Labor & Industry has established the prevailing minimum wages that must be paid by the contractors on this project.

The prevailing hourly rate and job classification of all workers on this project are listed in an official Department of Labor & Industry Prevailing Wage predetermination document.

The law requires contractors to have a copy of the predetermination document available at this work site and to allow you to see the rates established for your classification.

If you have problems gaining access to the document or the published rates, call toll-free:

1-800-932-0655

THIS POSTER TO BE DISPLAYED ON WORK SITE



*Auxiliary aids and services are available upon request to individuals with disabilities.
Equal Opportunity Employer/Program*

AWARD AGENCY

To be completed and returned within five (5) days from date of award of contracts, to Bureau of Labor Law Compliance, Department of Labor & Industry, 651 Boas Street, Room 1301, Harrisburg, PA 17121.

COUNTY: _____

PROJECT: _____

SERIAL NUMBER: _____

DATE OF AWARD: _____

(Complete For Applicable Type of Work)

BUILDING CONSTRUCTION

	<u>Name of:</u>	<u>Address:</u>	<u>Amount of Contract:</u>
General Contractor -			
H. & V. -			
Plumbing -			
Electrical -			
Other -			

HIGHWAYS, STREETS AND SEWERS

General Contractor -
Other -


RESERVOIRS, DAMS, WATER & SEWAGE TREATMENT PLANTS

General Contractor -
Other -

WEEKLY PAYROLL CERTIFICATION FOR PUBLIC WORKS PROJECTS

Contractor or Subcontractor (Please check one)

ALL INFORMATION MUST BE COMPLETED

CONTRACTOR ADDRESS		SUBCONTRACTOR ADDRESS		 DEPARTMENT OF LABOR & INDUSTRY <small>COMMONWEALTH OF PENNSYLVANIA</small> BUREAU OF LABOR LAW COMPLIANCE PREVAILING WAGE DIVISION 7TH & FORSTER STREETS HARRISBURG, PA 17120 1-800-932-0665
PAYROLL NUMBER	WEEK ENDING DATE	PROJECT AND LOCATION PROJECT SERIAL # PROJECT #		

EMPLOYEE NAME	APPR. RATE (%)	WORK CLASSIFICATION	DAY AND DATE							S-TIME 0-TIME	BASE HOURLY RATE	TOTAL FRINGE BENEFITS (C=Cash) (FB=Contributions)*	TOTAL DEDUCTIONS	GROSS PAY FOR PREVAILING RATE JOB(S)	CHECK #
			HOURS WORKED EACH DAY												
											C:				
											FB:				
											C:				
											FB:				
											C:				
											FB:				
											C:				
											FB:				

*SEE REVERSE SIDE

PAGE NUMBER _____ OF _____

THE NOTARIZATION MUST BE COMPLETED ON FIRST AND LAST SUBMISSIONS ONLY. ALL OTHER INFORMATION MUST BE COMPLETED WEEKLY.

*FRINGE BENEFITS EXPLANATION (FB): Bona fide benefits contribution, except those required by Federal or State Law (unemployment tax, workers' compensation, income taxes, etc.)

Please specify the type of benefits provided and contributions per hour:

- 1) Medical or hospital care _____
- 2) Pension or retirement _____
- 3) Life insurance _____
- 4) Disability _____
- 5) Vacation, holiday _____
- 6) Other (please specify) _____

CERTIFIED STATEMENT OF COMPLIANCE

1. The undersigned, having executed a contract with _____
(AWARDING AGENCY, CONTRACTOR OR SUBCONTRACTOR)

_____ for the construction of the above-identified project, acknowledges that:

- (a) The prevailing wage requirements and the predetermined rates are included in the aforesaid contract.
- (b) Correction of any infractions of the aforesaid conditions is the contractor's or subcontractor's responsibility.
- (c) It is the contractor's responsibility to include the Prevailing Wage requirements and the predetermined rates in any subcontract or lower tier subcontract for this project.

2. The undersigned certifies that:

- (a) Neither he nor his firm, nor any firm, corporation or partnership in which he or his firm has an interest is debarred by the Secretary of Labor and Industry pursuant to Section 11(e) of the PA Prevailing Wage Act, Act of August 15, 1961, P.L. 987 as amended, 43 P.S. § 165-11(e).
- (b) No part of this contract has been or will be subcontracted to any subcontractor if such subcontractor or any firm, corporation or partnership in which such subcontractor has an interest is debarred pursuant to the aforementioned statute.

3. The undersigned certifies that:

(a) the legal name and the business address of the contractor or subcontractor are: _____

(b) The undersigned is: a single proprietorship a corporation organized in the state of _____
 a partnership other organization (describe) _____

(c) The name, title and address of the owner, partners or officers of the contractor/subcontractor are:

NAME	TITLE	ADDRESS

The willful falsification of any of the above statements may subject the contractor to civil or criminal prosecution, provided in the PA Prevailing Wage Act of August 15, 1961, P.L. 987, as amended, August 9, 1963, 43 P.S. § 165.1 through 165.17.

 (DATE)

 (SIGNATURE)

 (TITLE)

 SEAL

Taken, sworn and subscribed before me this _____ Day
 of _____ A.D., _____