

# State of Wisconsin Department of Workforce Development

## Annual Adjustment of Thresholds for Application of Prevailing Wage Rates

The Wisconsin Department of Workforce Development proposes an order to amend s. DWD 290.155 (1), relating to the annual adjustment of thresholds for application of prevailing wage rates.

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### Analysis by the Department of Workforce Development

**Statutory authority:** Sections 66.0903 (5) and 103.49 (3g), Stats.

**Statutes interpreted:** Sections 66.0903 (5) and 103.49 (3g), Stats.

The state prevailing wage laws require that, when a state agency or local governmental unit constructs a public works project, it must obtain a prevailing wage rate determination from the Department of Workforce Development and require that the contractors and subcontractors on the project pay their employees in accordance with those wage rates. Under ss. 66.0903 (5) and 103.49 (3g), Stats., and the current s. DWD 290.155 (1) the state prevailing wage rate laws do not apply to any single-trade public works project with an estimated cost below \$36,000, and they do not apply to any multi-trade public works project with an estimated cost below \$175,000.

Under ss. 66.0904 (5) and 103.49(3g), Stats., and DWD 290.15, the Department is required to adjust the dollar amounts of the thresholds each year, in proportion to any change in construction costs since the thresholds were last determined. The proposed rule changes the thresholds to \$37,000 for single-trade projects and \$180,000 for multi-trade projects, based on a 2.7% increase in the construction cost index between December 2001 and December 2002.

**SECTION 1. DWD 290.155 (1) is amended to read:**

**DWD 290.155 (1)** This chapter does not apply to any single-trade public works project for which the estimated cost of completion is below ~~\$36,000~~ \$37,000, and any multi-trade public works project for which the estimated cost of completion is below ~~\$175,000~~ \$180,000.

**SECTION 2. EFFECTIVE DATE.** This rule shall take effect on the first day of the month following publication in the Wisconsin administrative register as provided in s. 227.22(2)(intro.), Stats.

(End)