
THE 2015-17 BUDGET BILL MADE SIGNIFICANT CHANGES TO WISCONSIN'S PREVAILING WAGE LAWS. HOWEVER, THOSE CHANGES DO NOT GO INTO EFFECT UNTIL JANUARY 1, 2017.

During calendar years 2015 and 2016, DWD will continue to enforce prevailing wage laws for local governmental unit and state agency public works projects under current prevailing wage laws.

2015 Wisconsin Act 55 (the budget bill) repeals the state prevailing wage law for **local governmental units** such as villages, towns, cities, school districts, or sewerage districts effective January 1, 2017. However, if a local governmental unit:

- issues a Request for Bids before January 1, 2017, for a project of public works that is subject to bidding or,
- enters into a contract before January 1, 2017, for a project of public works that is not subject to bidding,

then those public works projects are subject to the current prevailing wage law (§66.0903, Wis. Stats.) through the life of the project. Projects of public works with prevailing wage project determinations issued prior to 2017 continue to be subject to the current prevailing wage law through the life of the project even though the project may have work going on in 2017 or subsequent years.

Contractors working on local governmental unit projects with prevailing wage rate determinations must continue to pay employees the appropriate prevailing wage and maintain required prevailing wage payroll records. For instance, if a contractor is working in 2018 on a public works project with a project determination issued prior to 2017, then the contractor is required to comply with the "old" prevailing wage rate law (§66.0903, Wis. Stats.). After January 1, 2017, DWD will continue to enforce prevailing wage requirements for projects with DWD prevailing wage determinations issued under the "old" prevailing wage laws (§§ 66.0903 & 103.49, Wis. Stats.).

For new public works projects starting on January 1, 2017, state prevailing wage law will only apply to **state agency** and **state highway** projects. Prevailing wage rates applicable to state agencies will be those issued by the U.S. Department of Labor under the Davis-Bacon Act, 40 U.S.C. 3142. The Wisconsin Department of Administration will enforce the new state agency prevailing wage law (§16.856, Wis. Stats.) and the Wisconsin Department of Transportation will continue to enforce prevailing wage on state highway projects (under a law renumbered as §84.062, Wis. Stats.).

As a result of these changes, 2015 will be the last year in which the annual Wisconsin Prevailing Wage Survey will be conducted.

(Drafted July 28, 2015)