


Department of Commerce
Division of Industrial Compliance

Wage and Hour Administration
Ohio Prevailing Wage Summary

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What is Prevailing Wage?

- Ohio's Prevailing Wage Law is codified in Ohio Revised Code (ORC) 4115.
- Prevailing Wage is the required wage to be paid to skilled trades employees on public improvement construction projects.



What is Prevailing Wage?

- ORC 4115 defines prevailing wage as the sum of the following:
 - Base hourly rate of pay
 - Life insurance
 - Pensions
 - Health insurance
 - Vacation or paid holidays
 - Apprenticeship programs
 - Other bona fide fringe benefits



Prevailing Wage Thresholds

As of September 29, 2012:

- “New” construction threshold level has been adjusted to \$200,000
- Will increase to \$250,000 beginning September 29, 2013

- “Reconstruction, enlargement, alteration, repair, remodeling, renovation, or painting” threshold level has been adjusted to \$60,000 and \$75,000 beginning September 29, 2013



Prevailing Wage Thresholds

As of January 1, 2012:

- “New” construction that involves roads, streets, alleys, sewers, ditches and other works connected to road or bridge construction threshold level has been adjusted to \$82,137

- “Reconstruction, enlargement, alteration, repair, remodeling, renovation, or painting” that involves roads, streets, alleys, sewers, ditches and other works connected to road or bridge construction threshold level has been adjusted to \$24,609



Prevailing Wage Thresholds

- Thresholds are to be adjusted biennially by the Director of the Ohio Department of Commerce.


- Biennial adjustments to threshold levels are made according to the Price Deflator for Construction Index, United States Department of Commerce, Bureau of the Census*, but may not increase or decrease more than 3% for any year.

* In the absence of a published Price Deflator for Construction Index, the threshold adjustment is calculated using the Building Cost for Skilled Labor Index published by McGraw-Hill's Engineering News-Record.




Public Authority Responsibilities

- Before advertising for bids, contracting or undertaking construction with it's own forces, a public authority shall:
 - Have the Department of Commerce determine the prevailing wage rate schedule for workers (ORC 4115.04);
 - Every contract for public work shall contain a provision that each worker employed by the contractor or subcontractor, or other person about or upon the public work, must be paid the prevailing rate of wages (ORC 4115.06);
 - If contracts are not awarded or construction undertaken within 90 days from the date of the determination of the prevailing wage, then the public authority must request a redetermination of the wage rates before the contract is awarded (ORC 4115.05).




Public Authority Responsibilities

- No public authority shall award a contract for a public improvement to any contractor/subcontractor whose name appears on the list of debarred contractors (ORC 4115.133).
 - List filed with Ohio Secretary of State
 - Filing of the notice of conviction by OSS constitutes notice to all public authorities
 - Debarred contractors prohibited from working on public improvements for a period of up to three years
- A public authority must designate and appoint one of its own employees to serve as the Prevailing Wage Coordinator during the life of the contract for constructing the public improvement (ORC 4115.071).
 - Prevailing Wage Coordinator must be appointed no later than ten days before the first payment of wage by contractors to employees working on the public improvement




Prevailing Wage Coordinator Responsibilities

- Attend all pre-construction meetings;
- Set up and maintain, for inspection, certified payrolls. These should be received two weeks after initial payment and monthly thereafter (ORC 4115.071);
- Obtain the contractor's payroll schedule (ORC 4115.071);
- Receive complete payroll including names, current addresses, social security number, number of hours worked, pay, fringe benefits, job classification and deductions (ORC 4115.071);




Contractor Responsibilities

- Pay the correct prevailing wage for the correct classification:
 - This includes any modifications, changes or corrections made during the project (ORC 4115.07);
 - Paying the overtime rate at one and a half times the base hourly rate and adding all applicable fringe benefit payments (ORC 4115.031);
 - Taking no deduction for food, lodging, transportation, etc. unless the deductions are pre-approved by the employee and the Ohio Department of Commerce (ORC 4115.07);
 - Using only registered apprentices within the ration posted within the prevailing wage schedule (ORC 4115.05).




Contractor Responsibilities

- Maintaining full and accurate payroll records to include (ORC 4115.07):
 - Time cards, time sheets, daily work records, etc.;
 - Payroll ledger/journals, cancelled checks or a check register;
 - Detailed records of bona fide fringe benefits;
 - Records made in connection with the specific public improvement project.



Contractor Requirements

- Out-of-State contractors must file with the Ohio Secretary of State the full name and address of their State of Ohio Statutory Agent.
- Post up-to-date prevailing wage rate schedules in an area on the job site accessible to employees. (ORC 4115.07)
- Supply the prevailing wage coordinator with all payroll dates prior to submitting payroll reports. (ORC 4115.071)



Contractor Requirements

- Supply the prevailing wage coordinator with a complete list of names, addresses and contact information for any/all subcontractors. (ORC 4115.06)
 - Contractors are responsible for their subcontractor's compliance with prevailing wage laws.
- Supply employees with written notification of specific job classification, prevailing wage rate, fringe benefit contributions and the name and contact information for the prevailing wage coordinator prior to beginning work on the project. (ORC 4115.05)



Contractor Responsibilities

- Supply all subcontractors with the applicable prevailing wage rate schedule. (ORC 4115.06)
 - This includes any/all applicable change to these schedules during the project.
- Submit certified payroll reports within two weeks of after the initial pay period. (ORC 4115.07)
- Upon completion of the project, submit to the prevailing wage coordinator a completed Final Affidavit of Compliance. (ORC 4115.07)



Questions/Comments?

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