Labor and Employment Policies

Davis-Bacon and Related Acts

Issue Overview

The Davis-Bacon Act establishes wage rates for a given area for nearly all construction projects that receive public funds, among other requirements. In the home building industry, the Davis-Bacon and its Related Acts (DBRA) primarily affect multifamily builders who participate in certain HUD and Federal Housing Administration (FHA) Multifamily Mortgage Insurance programs.

In 2023, the Department of Labor (DOL) issued a rulemaking that revised the prevailing wage determination process, expanded coverage for DBRA requirements and included needless paperwork requirements for contractors. Unfortunately, rather than making any needed improvements, the rule requires the payment of wages that are unrepresentative of the actual wages paid in a given market and fails to acknowledge the fact that wage rates can change between a contractor submitting an application for funding assistance on a project and the start of the project. As a result, the rule is overly burdensome.

- (*1 +-*1$.$*). 3+)$)" /# !$)$/$*) *! ,./ *! /# 2*-&x
- Reduce administrative requirements that burden employers and deter them from participating in DBRA

Labor and Employment Policies

Independent Contractor and Joint Employer Status