

Effective January 1, 2017, the WI Prevailing Wage Law (s. 66.0903, Wis. Stats.) has been amended by sections 1991SD to 1991SV, 9151(1q), 9351(3q), and 9451(3q) of *2015 Wis. Act 55*. Below is a plain-language explanation of whether those amendments affect a project.

To evaluate the impact of changes to the WI Prevailing Wage Law on a grant-funded project, consider three questions:

- What is the funding source for the project?
- Who is the project sponsor?
- What is the project’s timeframe?



### **Funding Source for the Project**

The type of funding source provided through a grant from the Wisconsin Department of Natural Resources (DNR) is identified in the DNR grant agreement. Contact the DNR grant manager listed in the grant agreement with any questions about the type of funding source.

- **Federal Funds:** If a grant from the DNR uses Federal funds, changes to the WI Prevailing Wage Law specified in *2015 Wis. Act 55* will not affect a grantee’s obligation to follow the Davis-Bacon Act (*40 U.S.C. 3142*) or other federal wage laws specified in its grant agreement with the DNR.

(NOTE: THE DNR INSERTS WAGE LAW CONDITIONS WE RECEIVE FROM THE FEDERAL AGENCY INTO GRANT AGREEMENTS THAT WE ISSUE TO SUCCESSFUL GRANT APPLICANTS. DOING SO ENSURES THAT ANY FUNDS THE DNR PASSES THROUGH TO WI GRANTEES COMPLY WITH FEDERAL GRANT PROVISIONS.)

- **State Funds:** If a grant from the DNR uses state funds, the non-partisan Legislative Fiscal Bureau (LFB) has opined that the state funds become local funds for the purpose of implementing WI Prevailing Wage Law as amended by *2015 Wis. Act 55*. The result is that WI Prevailing Wage Law will not apply provided the project sponsor and project timeframe requirements are met.

### **Project Sponsor**

- WI Tribes are considered sovereign nations so WI Prevailing Wage Law never applied and still does not apply to them.
- Cities, towns, villages, counties, school districts, sewerage districts, special purpose districts, and other political subdivisions of the state are “local governmental units” as defined by s. 66.0903(1)(d), Wis. Stats. As amended by *2015 Wis. Act 55* and beginning January 1, 2017, the WI Prevailing Wage Law no longer applies to public works projects undertaken by local governmental units provided that funding sources and project timeframe requirements are met.

### **Project Timeframe**

If, before January 1, 2017, a local governmental unit issued a Request for Bids for a public works project that is subject to bidding, then that public works project remains subject to WI Prevailing Wage Law.

If, before January 1, 2017, a local government entered into a contract for a project of public works that is not subject to bidding, then that public works project remains subject to WI Prevailing Wage Law.

If, on or after January 1, 2017, a local government starts a new public works project for which Request for Bids is required or no bidding is needed, then the changes to WI Prevailing Wage Law apply unless the project funds are from a Federal source.