

TO: MEUW Members
FROM: Scott Meske, Associate Director
DATE: July 21, 2011
RE: 2011-13 State Budget Modifications to Wisconsin's Prevailing Wage Laws

During the last legislative session (2009-2010) Wisconsin's Prevailing Wage Laws were changed significantly to require projects costing more than \$25,000 to adhere to the prevailing wage rates. The most recent 2011 Wis Act 32 (2011-13 Biennial Budget) passed on June 15 and was signed into law June 28, modifies those prevailing wage rates.

Referencing the League of Wisconsin Municipalities website and superb summary on this issue, we provide the following information for your benefit.

Under Act 32:

- The threshold for when the prevailing wage requirements apply to public works projects is increased from \$25,000 to:
 - \$48,000 for single trade projects.
 - \$100,000 for all multiple-trade projects conducted by cities and villages over 2,500 in population.
 - \$234,000 for multiple-trade projects conducted by any town, and any city or village with a population less than 2,500.
- A road, street, bridge, sanitary sewer, or water main project that is a part of a residential development in which not less than 90% of the lots contain or will contain 2 dwelling units or less and that, on completion, is acquired by, or dedicated to, the municipality is exempt from the prevailing wage law.
- The recently created provision applying the prevailing wage law to publicly funded private construction projects, sec. 66.0904, Stats., is repealed.
- Local governments are expressly prohibited from adopting local prevailing wage ordinances. Any such ordinances previously adopted and in effect at the time the budget bill takes effect are voided.
- Replaces exemption from the prevailing wage law for public works projects in which the labor is provided by unpaid volunteers with language specifying that the prevailing wage laws do not apply to projects for which the municipality contracting for the project is not required to compensate any contractor or sub or individual performing the work.

If you have any questions regarding this particular issue, please contact me or Executive Director David Benforado.