



Sheet Metal and Air Conditioning Contractors' National Association

# SMACNA Applauds DOL's Historic Davis-Bacon Act Reforms

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The Sheet Metal and Air Conditioning Contractors' National Association (SMACNA) is supported by more than 3,500 construction firms engaged in industrial, commercial, residential, architectural and specialty sheet metal and air conditioning construction throughout the United States. SMACNA's federal as well as non-federal contractors applaud the Department of Labor's long needed reforms updating and modernizing the Davis-Bacon Act to benefit every contractor and worker. SMACNA members and allied quality driven contractors understand that any major investment in public infrastructure should recognize the extreme importance and merit in prevailing wages as part of any quality based public procurement policy. Based on decades of experience SMACNA member firms understand the merit in a public procurement policy that encourages employers to invest in a skilled workforce while also providing quality wages, benefits, and training. The taxpayer and the construction workforce deserve no less.

SMACNA contractors and chapter executives have long been strong and outspoken advocates for Davis-Bacon regulatory reforms, especially greater enforcement to combat Davis-Bacon contracting violations widely seen as unfair to honest federal bidders competing for infrastructure projects. We appreciate that prevailing wage laws seek to prevent the federal government as well as unscrupulous bidders from undermining local economies and prevailing local employment and training practices by reflecting local conditions. These long overdue reform efforts reflect the views of SMACNA and all skilled and experienced federal contractors, featuring the most highly trained workforce that bid and win federal contracts every day. Our firms understand the economically harmful and anti-competitive shortcomings of the post 1980's Act. Misguided and outdated reforms were made decades ago seemingly designed to limit the enforcement and effectiveness of the Act and its clear and specific statutory intent. Many of these so-called reforms clearly undermined the intent of the Act and led to the frustration of those most supportive of paying prevailing wages and boosting registered apprenticeship investments.

DOL's final rule will make the wage determination and verification process far more responsive by giving Department of Labor's Wage and Hour Administrator the express

authority to adopt prevailing wages determined by state and local governments, issue wage determinations for labor classifications where insufficient data was received through the wage survey process and update outdated wage rates. SMACNA most enthusiastically endorses the Department's return to the 30% Rule after decades of harm to the Act. After more than 40 years, restoring the 30% rule for prevailing wages ensures our members are compensated in a way that is consistent with local collectively bargained rates and the real rates paid to the most skilled and qualified apprentices and journey workers in such short supply today, and so badly needed for the complex Federal projects of the future.

Lastly, we firmly stand behind the addition of anti-retaliation protection provisions to Federal contracts. The use of prevailing wages is critical to the growth and success of the industry, and it ensures in the strongest possible way that our workers receive the wages they deserve without retribution by unscrupulous contractors too long ignoring the rules and avoiding debarment.

SMACNA CEO Aaron Hilger said that SMACNA members appreciate DOL's tireless efforts to seek our input and that of all quality driven contractor organizations in reforming the Davis-Bacon Act. We are confident the Department of Labor understands the critical role prevailing wage standards play in expanding a well-trained, highly skilled, and productive construction workforce. "Further, these expertly crafted and reasoned reforms to the prevailing wage regulations have been a long time in coming and will put union sheet metal contractors on a fair and level playing field with our non-union competition," said Hilger. "Given the manpower shortage the construction industry currently faces, the changes could not have come at a better time to boost registered apprenticeship and industry skilled recruitment."

The text of the final rule is available [here](#). [Click here](#) to access DOL's FAQs and a [Davis Bacon Comparison Chart](#). In the near future SMACNA will releasing our own white paper on the issue along with a set of SMACNA FAQs. The rule will become effective 60 days after publication in the Federal Register. Questions should be directed to the SMACNA Labor Relations Department.