

Wall And Ceiling Alliance

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DIR Registration Now Open to Public Works Contractors

Beginning May 1, public works contractors who are registered with the Department of Industrial Relations (DIR) for the current fiscal year (ending June 30, 2016) may renew their registrations for the next fiscal year starting July 1, 2016 using DIR's online <u>public works contractor registration system</u>. Registered contractors who fail to renew by July 1, 2016 but continue working on public works after that date will be subject to late fees and potential penalties.

Contractors must be registered with DIR before bidding, being awarded or performing work on public works projects in California. DIR registration requires that all contractors possess a license in good standing with CSLB, and having no liens or judgments owed to workers or the state of California.

The registration and renewal process is finished upon processing of payment. If paying by credit card, the registration process can be completed within 24 hours.

The early renewal option is only available for public works contractors who are currently registered with DIR. Contractors who are not currently registered should carefully consider when to register. Any contractor who fails to register before bidding for a public works project or being awarded a public works project may be subject to a \$2,000 penalty. Contractors who plan to bid or work on public works prior to July 1, 2016 may complete the registration process, including payment of the \$300 registration fee, to register for the remainder of the current fiscal year, which expires on June 30, 2016. Once registered, contractors may then renew their registration for the following fiscal year (beginning July 1, 2016), which will also require payment of the \$300 renewal fee.

Public agencies must confirm registration before considering a bid or awarding a public works contract, and prime contractors are required to make sure their subcontractors are registered.

To register or renew go here: www.dir.ca.gov/Public-Works/Contractors.html

DIR Electronic Certified Payroll Reporting Update

Public works reforms (SB 854) were signed into law on June 20, 2014 as part of the State Budget. The reforms made several significant changes to the administration and enforcement of prevailing wage requirements by the Department of Industrial Relations (DIR). One requirement of SB 854 stated that DIR establish an Electronic Certified Payroll Reporting (eCPR) system and beginning January 1, 2016, that all contractors and subcontractors must furnish electronic certified payroll records directly to the Labor Commissioner (also known as the Division of Labor Standards Enforcement) through the eCPR system.

The phase-in timetable for this requirement was as follows:

- June 20, 2014: Any project that was being monitored by the CMU/Labor Commissioner prior to the adoption of SB 854 will continue to be monitored by the Labor Commissioner afterward; and the contractors on those projects must continue to furnish certified payroll records to the Labor Commissioner until the project is complete.
- April 1, 2015: For all new projects awarded on or after this date, the contractors and subcontractors must furnish electronic certified payroll records to the Labor Commissioner.
- January 1, 2016: All contractors must furnish electronic certified payroll records to the Labor Commissioner through the eCPR data system.

SB 854 also required that awarding bodies submit a PWC-100 notice (contract award notice) for all public works projects to DIR. An awarding body must submit a PWC-100 in order for contractors to submit their eCPR. Awarding bodies are required to provide notice to DIR on all projects within five days of project award. Awarding bodies must register in the PWC-100 project registration system www.dir.ca.gov/pwc100ext/ in order to notify DIR of their public works projects.

Once the program launched, our office fielded numerous calls and e-mails from contractors who were frustrated with the new eCPR system. The most common complaint was that previously existing payroll systems used by contracting agencies are more user friendly than the XML format DIR chose. After meeting with the DIR to discuss the issues our contractors were having with implementation of the system, DIR issued a notice that put the eCPR system on hold while DIR works on improvements. The hold applies to all public works projects that were subject to the eCPR requirement.

Public works contractors, subcontractors and awarding agencies must still adhere to the 85-year-old requirement to keep certified payroll reports (CPRs). However, there is no need to use the DIR eCPR system until further notice. DIR has issued additional notices to provided clarification that they do not plan to require retroactive submission of eCPRs once they have completed the upgrades to the eCPR system, and a reminder to awarding bodies to register projects by using the PWC-100 form. The improved system will begin testing within the next month and DIR is anticipating having it ready by August 2016.

All relevant notices can be found at the following links:

Notice to awarding bodies: <u>www.dir.ca.gov/Public-Works/Public_Works_Notices.htmll</u>

Notice of eCPR delay: <u>www.dir.ca.gov/Public-Works/eCPR important_notice.pdf</u>

Notice clarifying eCPR requirement: <u>www.dir.ca.gov/Public-Works/Notice_Clarifying_CPR_Requirements.pdf</u>

Prevailing Wage Expansion to Ready-Mix Delivery Effective July 1, 2016

AB 219 was signed by the Governor in 2015 and will go into effect for public works projects awarded on or after July 1, 2016. Under this new law, "hauling and delivery of ready-mixed concrete to carry out a public works contract" will be covered by prevailing wages, along with other unique provisions never before required for prevailing wage compliance. The DIR recently issued a Concrete Delivery Legislation (AB 219) <u>Fact Sheet</u> to address enforcement policies.

The DIR Fact Sheet can be viewed here: http://www.dir.ca.gov/ConcreteDeliveryPrevailingWage/AB 219 Fact Sheet.html