

IMPORTANT: This is a HUD-funded project and is covered by Davis-Bacon Act (DBA), where prevailing wages, set by the DOL are required to be paid to workers. Contractors/sub(s)/tiered sub(s) working on any federal funded construction project are subject to the DBA prevailing wage requirements and Section 3 (*when total fund exceeds a threshold of \$200,000*). Be aware of any DBA requirements and carefully review all supplemental conditions prior to bidding. DBA minimum wages must be paid, and contractor and sub(s) must include prevailing wage calculations in any bid or proposal. Failure to submit the required documents contained in this package at the time of bid will render bidder non-responsive.

Pre-Bid Meeting Outline

1. SPECIAL PROVISION- INCLUDED IN THE BID SOLICITATION DOCUMENTS:

- DAVIS BACON WAGE RATES – Workers are classified based upon the work performed and paid in accordance with the applicable wage decision for the **classification of work actually performed, without regard to skill.**
- SPECIAL PROVISIONS – All contractors/subcontractors/tiered subcontractors working on this federal funded construction project are subject to Davis-Bacon Labor Standards, Section 3, and prevailing wage requirements. All contractors/subcontractors/tiered subcontractors must receive a copy of the Special Provisions and must be part of all subcontracts.

2. **GENERAL CONTRACTOR IS RESPONSIBLE FOR** determining the appropriate staffing necessary to perform the contract work. Contractors are also responsible for complying with the minimum wage and benefits requirements for each classification performing work on the contract to include ALL TIERED SUBCONTRACTORS. If a classification considered necessary by the contractor for performance of the work is not listed on the applicable wage determination, **the contractor must initiate a request for approval of an additional classification along with the proposed wage and benefit rates for that classification.** For more information please click the following link: <https://beta.sam.gov/content/wage-determinations/resources/dba-conformances>

- General Contractor to provide to the Agency and Orange County Program Administrator **a copy of all executed contracts with any sub-contractors, and tiered subcontractors all of which shall include Orange County Special Provisions** requiring the respective sub- contractor or tiered sub to comply with the requirements of the Uniform Administrative Requirements and 2 CFR Part 200 Appendix II.

3. Davis Bacon Employee Confidential Interviews:

Periodic interviews will be conducted with workers to verify that they are working in the proper classification and are paid an applicable wage rate. **One-on-one interviews are confidential.**

4. IN KIND DONATION – There can be no in-kind labor donation. Anyone working on the project must be paid in accordance with the applicable wage decision.

5. SIGNAGE REQUIREMENTS FOR THE DURATION OF THE PROJECT AND AVAILABLE TO ALL WORKERS:

- Davis Bacon Federal Labor poster/Equal Employment,
- Section 3, and
- Orange County Special Provisions/Applicable Wages from DOL.

6. SECTION 3 Compliance (HUD Act of 1968): Ensure employment and other economic opportunities generated by certain HUD assistance in excess of \$200,000 goes “to the greatest extent possible”, to Targeted Section 3 Workers and Section 3 Business.

7. TIMELINE: CONTRACTOR PRESENCE.

8. **BUILD AMERICA, BUY AMERICA ACT (BABA).** Applies to HUD’s Federal Financial Assistance programs. The domestic content procurement preference requires that all iron, steel, manufactured products, and construction materials used in covered infrastructure projects are produced in the United States (Made in USA).

DAVIS-BACON DEFINITIONS

The Davis-Bacon Act: Requires the payment of prevailing wage rates as determined by the Department of Labor (DOL) to all employees working on federally funded construction projects over \$2,000.

Laborer or Mechanic: Anyone doing construction work on a project. You must be paid at least prevailing wage rates.

Employee: A person that works as a laborer or mechanic on a job site, regardless of a contract

Apprentices and Trainees: Apprentices may be paid less than the wage rate on the wage decision for their work. Persons in registered programs that are approved by the DOL or a DOL recognized State Apprenticeship Council (SAC). Employers must follow rules to ensure that apprentice are properly paid and trained. Apprentices may be paid less than the wage rate on the wage decision for their work.

Piece work: If you are paid by the quantity (amount) of work you produce (do), such as the number of units painted or the square feet of sheetrock hung, you must still receive wages based on the actual number of hours you worked.

General Wage Decision (aka Prevailing Wages): A listing of different work classifications (types) and the minimum hourly pay that must be paid to anyone performing work in those classifications on a specific job.

Fringe Benefits: Additional benefits that may be paid to an employee and seen on the wage decision of a specific construction project. They do not include employer payments required by law.

Overtime: All hours worked beyond 40 hours in a 7-day pay period.

Deductions: Can be required by law, like income taxes social security or even court ordered. Other payroll deductions, such as a loan repayment, must have your approval.

Work Classification: The actual type of trade (work) you are doing as listed on a wage decision, for example carpenter, roofer, electrician, etc., the skill level does not matter.

Split-classification: Work in more than one trade, you can be paid the hourly pay for each work classification or the higher of all of the jobs you work at in the work week.

Site of Work: The boundaries of the project, but also can include other property that is next to the project.

General Contractor Responsibilities:

- Ensures that all workers, including employees of subcontractors, are accurately classified to a construction classification listed on the General Wage Decision and paid no less than the applicable prevailing wage rate. Classification is based upon duties being performed. If there is not a classification listed on the wage decision that closely mirrors duties, a request for an additional classification must be submitted.
- Requires weekly submission of original certified payroll by a principle in the company (owner, president, treasurer, payroll administrator)
- Allow Orange County staff to conduct on-site confidential and random employee interviews. The information obtained will be compared with weekly payroll submission to ensure compliance with Davis Bacon and Related Acts. Make certain workers know (what they are hired to do, job classification, and pay rate)
- Submission of an original Section 3 Certification Package forms, from contractors, sub- contractors, tiered sub and workers/new hires.
- Contractor Non-Debarment verification/ Maintain a SAM.gov **active** registration for the entire term of the agreement.
- Requires posting of the Special Provisions/Wage Decision, DOL Notice to All Employees, Employee Rights, Davis Bacon Labor Standards and Section 3 in areas accessible to all workers.
- All construction workers (W2/1099) must be paid the applicable wages and fringe benefits for all ours worked and time and a half for any hours over 40 hours in a week.

AUTHORITY LADDER

The **Prime Contractor is responsible for reviewing all payrolls before submitting them to HUD/ORANGE COUNTY.** Feel free to use this document as a guide for reviewing payrolls submitted by Subcontractors and Lower-tier Subcontractors. Please try to submit as correct as possible payrolls by requesting corrections from Subcontractors before submitting them to HUD/ORANGE COUNTY. This process may delay submittal to HUD/ORANGE COUNTY; however, late, corrected payrolls are better than timely-submitted incorrect ones that will have to be returned for correction. If it becomes apparent to HUD/Orange County that the Prime Contractor is not reviewing payrolls, they may be returned to the Prime Contractor for review and resubmittal to HUD/Agency prior to further HUD/Agency scrutiny.

Agency's contract is with the Prime Contractor. Therefore, all Subcontractors should address Orange County through the Prime Contractor and all Lower-tier Subcontractors should go through the respective Subcontractor with whom they have a contractual agreement.

U.S. DEPT. OF HUD -Office of Labor Relations/Housing Authority/Grantee/Orange County:

- Monitor all labor standards
- Review payrolls as required
- Provide training & assistance
- General enforcement

PRIME CONTRACTOR

- Distribute all forms
- Submit all contractual agreements (Subcontractors and any Lower-tier sub) to Orange County.
- **Submit all payrolls to HUD/Orange County (via LCPtracker**)**
- **Review all payrolls**
- Request additional classifications
- Post wage decision on job site (Special Provisions-Non-Technical Specification)
- Post all required posters
- General compliance of employees

SUBCONTRACTORS

- Submit weekly payrolls to Prime (via LCPtracker**)
- **Review all lower tier subs' payrolls.**
- Request additional classifications through Prime
- General compliance of employees

LOWER-TIER SUBCONTRACTORS

- Submit weekly payrolls to sub (via LCPtracker**)
- Request additional classifications
- through subcontractor
- General compliance of employees

*****LCPtracker is a labor compliance reporting software: Is a paperless online system for entering Certified Payroll Reports. Payroll data can be entered directly into the system or uploaded from many major construction accounting and payroll programs. This serves two key functions: it eliminates the need to submit paper documents and forms and stores all Certified Payroll Reports in an online database.***

Updating the Davis-Bacon and Related Acts Regulations

New regulations have been issued under the Davis-Bacon and Related Act (DBRA). In this final rule, effective on **October 23, 2023**, the Department of Labor (DOL) updates the DBRA regulations, some are listed below. For more information of the final rule, please visit the following links:

<https://www.dol.gov/agencies/whd/government-contracts/construction/rulemaking-davis-bacon>

<https://www.federalregister.gov/documents/2023/08/23/2023-17221/updating-the-davis-bacon-and-related-acts-regulations>








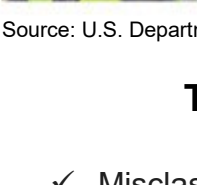

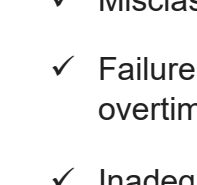

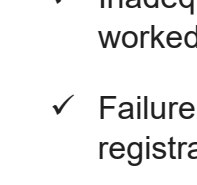

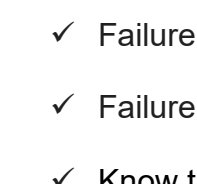

Applicability date: The provisions of this final rule regarding wage determinations may be applied only to wage determination revisions completed by DOL on or after October 23, 2023. Except with regard to 29 CFR § 1.6(c)(2)(iii), the provisions of this final rule are applicable only to contracts entered into after October 23, 2023. Contracting agencies must apply the terms of § 1.6(c)(2)(iii) to existing contracts of the types addressed in that regulatory provision, without regard to the date a contract was entered into, if practicable and consistent with applicable law

- **Prime contractors and upper-tier contractors may be liable for lower-tier subcontractor violations.**
 - o Responsible for paying back wages and subject to debarment.
 - o Prime contractors are responsible for subs regardless of intent.
 - o Upper-tier contractors must have some degree of intent.
- Contractors and subcontractors must **certify payroll (by signature) and submit it on a weekly basis.**
- **Wage determinations must be updated after the contract award in the case of substantial additional scope of work or time period of obligation.**
- Workers' back wages can be withheld from any contract held by the same prime contractor, even if awarded by a different agency; back wages have priority over most other competing claims. Also, interest must be paid on back wages and monetary relief and the interest compounds daily.
- Contribution to fringe benefits must be annualized to calculate the hourly equivalent when workers perform work on projects that are subject to DBRA and those that are not.
 - o A Contractor's own admin costs are not creditable as fringe benefits, even if outsourced to a third party. Direct costs incurred by third parties to administer and deliver fringe benefits to the contractor's laborers and mechanics are creditable.
- **Debarment is imposed for 3 years** in the event of "disregard of obligations to workers or subcontractors". Contractors can no longer seek early removal from debarment list for a Related Acts debarment.
- Contractors and subcontractors must maintain regular payroll and other records documentation such as: a list of workers with telephone numbers and email addresses, retain all documents for **at least 3 years after the work on the prime contract is completed.**
- Contractors working outside of the area where the apprenticeship program is registered must follow the ratio and wage rates standards for the area where the work is taking place.
 - o Unless there is no registered program in the area where the work is taking place, then rely on the ratio and wage rate for the area where the apprenticeship program is registered.

EMPLOYEE VS. INDEPENDENT CONTRACTOR

Several factors determine whether you are an employee of a contractor or sub-contractor or work as an independent contractor. For guidance on this, you can refer to [information from the Internal Revenue Service here](#).

When you are a misclassified worker, you can be denied critical benefits and labor standards protections found [here](#).

 EMPLOYEE	OR	INDEPENDENT CONTRACTOR
 Working for someone else's business		Running their own business
 Paid hourly, salary, or by piece rate		Paid upon completion of project
 Uses employer's materials, tools and equipment		Provides own materials, tools and equipment
 Typically works for one employer		Works with multiple clients
 Continuing relationship with the employer		Temporary relationship until project completed
 Employer decides when and how the work will be performed		Decides when and how they will perform the work
 Employer assigns the work to be performed		Decides what work they will do

Source: U.S. Department of Labor

TYPICAL PROBLEMS FOUND ON DAVIS-BACON PROJECTS

- ✓ Misclassification of laborers and mechanics.
- ✓ Failure to pay full prevailing wage, including fringe benefits, for all hours worked (including overtime hours).
- ✓ Inadequate recordkeeping, such as not counting all hours worked or not recording hours worked by an individual in two or more classifications during a day.
- ✓ Failure of employer to maintain a copy of the bona fide apprenticeship program and individual registration documents for apprentices.
- ✓ Failure of employer to **submit certified payrolls weekly**.
- ✓ Failure to post the Davis-Bacon poster and applicable wage determination.
- ✓ Know the hourly wages you should pay for the work performed.
- ✓ For the duration of the project, post Employee Rights Poster and Wage Decision on this Davis-Bacon Project.

HOW TO READ A WAGE DECISION

The first four letters are an abbreviation of the job classification.

The first four numbers are the union local that created the Collective Bargaining Agreement (CBA).

This is the most recent revision number of the CBA.

This is the date the CBA was set.

CARP	4088	004	05/01/2021		Rates		Fringes
CARPENTER.....					\$ 32.46		19.19
↑					↑		↑
The worker's classification					The hourly wage rate		The hourly fringe benefit rate

Some classifications have rates of pay or fringe benefits in the form of a percentage or a specific amount such as "35.825+a+b" below:

	Rates	Fringes
ELEVATOR MECHANIC.....	\$ 51.68	35.825+a+b
a. VACATION PAY: 6% for 6 months to 5 years service; 8% with 5 or more years of service.		
b. PAID HOLIDAYS: Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Friday after, and Christmas Day.		

Some classifications have groups. Be sure to read below the classification to know what category you are in.

	Rates	Fringes
Truck drivers:		
GROUP 1.....	\$ 34.29	15.25
GROUP 2.....	\$ 34.49	15.25
GROUP 3.....	\$ 35.24	15.25
GROUP 4.....	\$ 35.79	15.25

TRUCK DRIVERS CLASSIFICATIONS

GROUP 1: Flat beds; pick-up; dump trucks under 10 yds.; dump trucks 10 yds. and over.

GROUP 2: Double bottom units (20 tons capacity and over); fork trucks; heavy excavating (dumpsters, etc.); heavy hauling, A-frame and winch fork trucks; hydraulically operated aerial lift; hydro lift trucks; straddle trucks; wheel tractors.

What is Section 3?

- **Contractors and subcontractors that perform any work under contract for any federal project when the total amount of assistance to the project exceeds a threshold of \$200,000 is required to comply with the Section 3 regulations.** Section 3 applies to an entire project, regardless of whether the project is fully or partially assisted under HUD program that provides housing and community development financial assistance.
- Section 3 is a provision of the Housing & Urban Development Act of 1968, and its purpose is to ensure the employment & economic opportunity generated by certain HUD funding **is to the “greatest extent feasible”** directed to low-income persons.
- Section 3 eligibility is determined by geographic location (resident of Orange County) and by HUD’s published annual median income limits which is typically 80% of the median income for the area.
- Section 3-certification form should be completed by all new hires working on the project. The certification form documents the new hires Section 3 status and demonstrates the contractors efforts to comply with HUD’s requirement of directing “*to the greatest extent possible*” employment opportunity to low income individuals whenever economic opportunity result from government assisted construction projects.
- More information on Federal Labor Standard and Davis Bacon and Section 3 can be found on the following links:

<http://portal.hud.gov/hudportal/HUD>

<https://www.hudexchange.info/programs/section-3/>

<https://hudapps.hud.gov/OpportunityPortal/>

Section 3 Worker Definition:

- A low or very low-income resident (the worker’s income for the previous or annualized calendar year is below the income limit established by HUD); or
- Employed by a Section 3 business concern; or
- A YouthBuild participant.

Targeted Section 3 Worker Definition (for housing and community development)

- Employed by a Section 3 business concern or
- Currently meets or when hired met at least one of the following categories as documented within the past five (5) years:
- Living within the service area or the neighborhood of the project, as defined in 24 CFR75.5
- A YouthBuild participant.

Section 3 Exempting Projects < \$200,000: Compliance Plan (pages 1 through 3) shall be completed by each Bidder (GC/Sub). Failure to submit the required documents contained in this package at the time of bid will render the bidder non-responsive. Compliance Plan and acknowledge of Orange County Special Provisions must be part of your bid package.

SECTION 3 CONTRACTOR COMPLIANCE PLAN

Orange County Housing and Community Development (HCD)

**THIS PACKAGE MUST BE SIGNED AND RETURNED WITH YOUR BID
BY THE SUBMITTAL DEADLINE.**

FAILURE TO DO IT MAY BE CAUSE FOR REJECTION OF BID.

For more details about Section 3, please follow the link below:

<https://www.hud.gov/sites/documents/11SECFAQS.PDF>

Project Name: _____ DATE: _____

Company: _____

Contact Name: _____ Phone Number: _____ Email: _____

The general contractor is required to complete a *Section 3 Reporting Form* for any prime contract that is **over \$200,000**. The general contractor is responsible for obtaining information for the *Section 3 Compliance Packet* from all subcontractors, to include tiered-subcontractors.

Purpose Section 3 is of clause in the Housing and Urban Development Act of 1968. Its intent is to provide job training and employment opportunities from programs that receive HUD funding to local low-income residents and the businesses they own or that employ them.

Goals Section 3 residents will comprise 20% of Section 3 Worker Goal and 5% Targeted Section 3 Worker Goal. The contractor must provide documentation of how new employment and subcontracting opportunities have been directed *to the greatest extent feasible* to Section 3 residents and business concerns to try to achieve these goals. This documentation must include efforts made by subcontractors to direct hiring opportunities to Section 3 residents.

Contracting: To the greatest extent feasible, and consistent with existing Federal, state, and local laws and regulations, recipients covered by this subpart shall ensure contracts for work awarded in connection with Section 3 projects are provided to business concerns that provide economic opportunities to Section 3 workers residing within the metropolitan area (or nonmetropolitan county) in which the project is located.

(2) Where feasible, priority for contracting opportunities described in paragraph (b)(1) of this section should be given to:

- (i) Section 3 business concerns that provide economic opportunities to Section 3 workers residing within the service area or the neighborhood of the project, and
- (ii) YouthBuild programs.

Contractor Responsibilities

- The general contractor is to ensure their subcontractors adhere to their Section 3 responsibilities.
 - Section 3 outreach and contract requirements are necessary for all general contracts of **\$200,000** or more, along with all subcontractors under the general contract.
 - Section 3 reporting submitted by the general contractor is required on all subcontracts, to include tiered-subcontracts. The general contractor must ensure each subcontractor understands the Section 3 requirements and goals. The general contractor must document its own efforts and each subcontractor's efforts to comply with these requirements.
- For Section 3 covered contracts, document the outreach efforts to recruit potential Section 3 residents for employment opportunities for any subcontracting opportunities through methods such as: Local advertising, notices to professional associations and trade networks, signs placed at job site and local community organizations, Youthbuild.gov and use of local Section 3 Certified Business Concerns lists. Maintain documentation on the number of Section 3 residents that apply for new employment opportunities and the number of Section 3 business that bid on contracting opportunities.
- Complete the *Section 3 Compliance Packet* for all contracts.

Labor Hours

- Any new full-time employment opportunity that results from a Section 3 covered contract must be directed to Section 3 residents,
 - Section 3 Worker (as defined below)**
 - A low or very low-income resident (the worker’s income for the previous or annualized calendar year is below the income limit established by HUD);or
 - Employed by a Section 3 business concern; or
 - A YouthBuild participant.

 - Targeted Section 3 Worker (as defined below)**
 - Employed by a Section 3 business concern or
 - Currently meets or when hired met at least one of the following categories as documented within the past five (5) years:
 - Living within the service area or the neighborhood of the project, as defined in 24 CFR 75.5
 - A YouthBuild participant.
 - To be qualified as a Section 3 resident, an applicant must complete a *Section 3 Resident Certification* form.

Section 3 residents applying for new employment opportunities must still be qualified for the position in order to be hired.

- Contractors will post any new employment opportunities at the job site, local community organizations, local advertising, notices to professional associations and trade networks.
- When considering employment of a Section 3 resident and more than one qualified Section 3 applicant has applied, use this order of priority in considering the qualified applicants:
 - Residents of the properties located in the area of the construction project receive first priority, then other residents.
 - Current HUD Youthbuild participants, this priority should come before other Section 3 residents residing in the city where the construction project is located.
 - Other Section 3 residents residing in the city where the construction project is located.
 - Other Section 3 residents
- Properly document hours worked by Targeted and Section 3 Workers for the *Section 3 Compliance Packet*.
- Goal: Total Number of Hours Worked: _____ x 25% = Section 3 Goal _____
- Goal: Total Number of Hours Worked: _____ x 5% = Targeted Section 3 Goal _____
- Describe in the space below the strategies you will implement to hire Section 3 residents and log hours.

Contractor Acceptance

I certify that I have read this Section 3 Compliance Plan and will work to implement all aspects of this program.

Signature: _____

Date: _____

Print Name: _____

**ORANGE COUNTY HOUSING AND COMMUNITY DEVELOPMENT
NEW HIRES SECTION 3
MONTHLY COMPLIANCE FORM**

GC is required to provide this form to any subcontractor firms they hire for this project

This form is distributed to the General Contractor (GC) at the Pre-Construction Meeting.

Firm/Contractor Name: _____

Project Name: _____

Project Address: _____

Draw #: _____ Date: From: _____ To: _____

Check all that apply:

We have not hired any new employees during DRAW REQUEST #

During the above draw schedule and/or within the past five (5) years we have hired:

- | | | |
|------------------------------|-----------------------------|---|
| Yes <input type="checkbox"/> | No <input type="checkbox"/> | <input type="checkbox"/> Section 3 employees and/or |
| Yes <input type="checkbox"/> | No <input type="checkbox"/> | <input type="checkbox"/> A low or very low-income worker and/or |
| Yes <input type="checkbox"/> | No <input type="checkbox"/> | <input type="checkbox"/> Non-Section 3 employees and/or |
| Yes <input type="checkbox"/> | No <input type="checkbox"/> | <input type="checkbox"/> A Youthbuild participant. |

We have taken one or more of the following recruitment steps to hire a Section 3 resident with the highest training and employment priority ranking: **(check all that applies below):**

- _____ We have advertised to fill any vacancies at the site(s), where work is taking place, in connection with this project. Below, I have checked the steps I have taken to find Section 3 low-income residents, from the targeted groups and neighborhoods to fill any vacancies.
- _____ Placed signs or posters in prominent places at each of the above listed development
- _____ Taken photographs of the above item to document that the above step was carried out
- _____ Distributed employment flyers to each of the residents and posted flyers at this development site
- _____ Contacted any HUD www.YouthBuild.org programs currently operating in Orange County for Youthbuild referrals
- _____ Kept a log of all applicants and indicated the reasons why Section 3 residents who applied were not hired
- _____ Retained copies of any employment applications completed by public housing, Section 8 certificate or voucher holders or other Section 3 residents.
- _____ Sent a notice about Section 3 training and employment requirements and opportunities to labor organization or to worker representatives with whom our firm has a collective bargaining or other agreement.

Contractor

Signature

Printed Name and Title

Date



ORANGE COUNTY HOUSING AND COMMUNITY DEVELOPMENT DIVISION

Section 3 Business Concern Certification for Contracting

Instructions: Enter the following information and select the criteria that applies to certify your business' Section 3 Business Concern status.

Business Information

Name of Business _____

Owner _____

Preferred Contact Information [] Same as above

Name of Preferred Contact _____

Phone Number of Preferred Contact _____

Type of Business (select one): [] Corporation [] Partnership [] Sole Proprietorship [] Joint Venture

Select from ONE of the following three options below that applies:

- [] At least 51 percent of the business is owned and controlled by low- or very low-income persons (Refer to income guidelines on page4).
[] At least 51 percent of the business is owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.
[] Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers (Refer to definition on page4).

Section 3 Worker Definition:

- [] A low or very low-income resident (the worker's income for the previous or annualized calendar year is below the income limit established by HUD); or
[] Employed by a Section 3 business concern; or
[] A YouthBuild participant.

Targeted Section 3 Worker Definition (for housing and community development)

- [] Employed by a Section 3 business concern or
[] Currently meets or when hired met at least one of the following categories as documented within the past five (5) years:
[] Living within the service area or the neighborhood of the project, as defined in 24 CFR 75.5
[] A YouthBuild participant.

Business Concern Affirmation: I affirm that the above statements are true, complete, and correct to the best of my knowledge and belief. I understand that businesses who misrepresent themselves as Section 3 business concerns and report false information to [insert name of recipient/grantee] may have their contracts terminated as default and be barred from ongoing and future considerations for contracting opportunities. I hereby certify, under penalty of law, that the following information is correct to the best of my knowledge.

Print Name: _____

Signature: _____ Date: _____

*Certification expires within six months of the date of signature. Information regarding Section 3 Business Concerns can be found at 24 CFR 75.5



FOR ADMINISTRATIVE USE ONLY

Is the business a Section 3 business concern based upon their certification?

YES NO

EMPLOYERS MUST RETAIN THIS FORM IN THEIR SECTION 3 COMPLIANCE FILE FOR FIVE YEARS.

Orange County Housing and Community Development Division Section 3 Income Limits

Eligibility Guidelines

The worker's income must be at or below the amount provided below for an individual (household of 1) regardless of actual household size.

Individual Income Limits

FY 2023 Income Limit Area	Income Limits Category	FY 2023 Income Limits
<u>City of Orlando</u> <u>Orange County, Florida</u>	Extremely Low Income Limits (30%)	\$18,450
	Very Low Income Limits (50%)	\$30,750
	Low Income Limits (80%)	\$49,150

See <https://www.huduser.gov/portal/datasets/il.html> for most recent income limits.



FREQUENTLY ASKED QUESTIONS (FAQs)

1. I am a roofing subcontractor, working alone, and paid by a per square / piece basis (for example every 100 sq. ft). The contractor I work for requires that I have workers' compensation and liability insurance. They plan to deduct 40% of my wages for the cost of insurance and make it impossible to earn the prevailing wage. Is this ok?

- *No. Laborers and mechanics (e.g., roofers) must be paid the hourly pay in the applicable wage decision.*
- [Workers' Compensation](#) and *Liability Insurance* are not allowed deductions (see [FAQ #8](#)).
- *A true subcontractor generally has a registered trade name with a telephone listing, a license, liability insurance or bond, and/or a Federal Tax Identification Number, along with a signed contract containing HUD Federal Labor Provisions.*

2. I work more than one trade within in a single day. How do I determine the correct rate to be paid?

If you work in more than one trade your boss must pay you for the hours worked at the correct rate for each trade (job).

3. I am paid \$15.00 dollars per hour, on my paycheck there were no deductions for social security and taxes. I am not a self-employed contractor. Is it ok for my boss to not make these deductions?

No. A contractor must pay the correct hourly rate in the wage decision. If you believe deductions from your paychecks haven't been made, you should speak with your boss about this.

4. The contractor I work for told me that I'll be paid two times a month. Is this ok?

No. Under Davis-Bacon, a contractor must pay their employees once a week on federal construction projects.

5. How do I know I'm being paid the right amount for what I'm doing?

Look for a copy of the wage decision and any additional classifications. They must be posted at the work site in plain view for you to see. If your job type is not listed or posted, you can call the person listed as the agency point of contact on the [Publication WH-1321 Notice to Employees](#) that must be posted at each job site.

6. An official from the Department of Labor came to our job site and asked workers about our pay and to tell them about how much we made an hour, how many hours we worked each week, what type of tools we used, etc. Do we have to answer these questions?

*It is voluntary to answer these questions but **answering on-site interview questions** is very important if a problem comes up between workers and their employers. Every employer (contractor, subcontractor, etc.) must make their employees available to be interviewed at the job site by HUD, a DOL representative, or with the contract administrator's representative and the interviews are private and confidential.*

7. Who do workers contact if they have questions or concerns about labor violations?

You can call the person listed as the agency point of contact on the [Publication WH-1321 Notice to Employees](#) that must be posted at each job site.

8. What deductions can my boss make from my paycheck?

Employers can make deductions for FICA, income taxes, medical insurance, retirement pensions, unemployment benefits, life insurance, accident insurance, vacation or holiday pay, and apprenticeship program costs. Some job classifications may have additional deductions.

9. I work for a plumbing contractor as a laborer. My duties are similar to the plumbers I help on a daily basis. I use the same tools they use and do the same work they do, like laying and connecting pipes, etc. Should I be paid as a laborer or plumber?

Generally, if you are using the tools and doing the work of the trade like the other plumbers, then you should be paid the pay of a plumber, not a laborer.

10. I am paid on a weekly basis and my boss pays me in cash each week. Is that ok?

Yes, but you should each make sure to keep records of payment, hours worked, receipts, etc.

11. My boss stated they were going to pay me \$15.25 per hour, but said I also needed to give them back \$2.00 for each hour I worked on the federal project for the tools that I borrowed. Is this ok?

No. Your employer can't require you or other employees to give back any portion of pay you've earned. This is a direct violation of the Copeland Act (Anti-Kickback Act), which is a related act to the Davis-Bacon Act.

KNOW WORKER'S RIGHTS

On a Davis-Bacon project, workers have the right to:

- ✓ Be paid prevailing wages (a federal prevailing wage is the average wage paid to workers in a similar occupation in a specific area as determined by DOL)
- ✓ Observe the [Employee Rights Poster](#) and wage decision which must be posted on the job site
- ✓ Contact a DBLS Labor Standards Specialist or the Contract Administrator whose name should appear on the Employee Rights Poster
- ✓ Be paid on a weekly basis
- ✓ Receive overtime (at least time and half of hourly wages) for all hours worked over 40 hours in work week
- ✓ [File a complaint with DBLS](#) or with the [U.S. Department of Labor](#) (DOL)
- ✓ Receive back wages if you are underpaid (back wages are the pay difference between the wage rate you received, and the wage rate required on the wage decision for all hours worked)

In a safe workplace under the Occupational Safety and Health Administration ([OSHA](#)):

Federal law entitles you to a safe workplace. Your employer must keep your workplace free of known health and safety hazards. You have the right to speak up about hazards **without fear of retaliation**.

You also have the right to:

- ✓ Receive workplace safety and health training in a language you understand
- ✓ Work on machines that are safe
- ✓ Receive required safety equipment, such as gloves or a harness and lifeline for falls
- ✓ Be protected from toxic chemicals
- ✓ Request an OSHA inspection, and speak to the inspector
- ✓ Report an injury or illness, and get copies of your medical records
- ✓ Review records of work-related injuries and illnesses
- ✓ See results of tests taken to find workplace hazards