

Press Release

DOL Proposes Updates to Davis-Bacon Act Regulations

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The U.S. Department of Labor (DOL) recently proposed updating its regulations implementing the Davis-Bacon Act (DBA), which requires certain work performed on a federal government contract to be paid at a prevailing wage. In a new insight, Director of Regulatory Policy Dan Bosch discusses the proposed rule's changes and its potential implications on inflation and federal infrastructure projects.

Key points:

- The DOL recently proposed the most significant overhaul of DBA regulations in 40 years.
- The two most significant proposed changes are to the methodology used to calculate the prevailing wage rate in an area and occupation, and to add the ability to make changes to pay rates based on the Employment Cost Index.
- The changes, if finalized, would increase the cost of federal construction projects adding inflationary pressures to the economy and diminishing the returns on the Infrastructure Investment and Jobs Act enacted last year.

Read the analysis