

**SUPPORTING STATEMENT  
REPORT OF CONSTRUCTION CONTRACTOR'S WAGE RATES  
REGULATIONS 29 CFR PART 1, FORM WD-10  
OMB CONTROL No. 1235-0015**

**This ICR is as an extension.**

**1. Circumstances that make the collection of information necessary.**

The Davis-Bacon Act (DBA), 40 U.S.C. § 3141, *et seq.*, provides, in part, that every contract in excess of \$2000 to which the United States or the District of Columbia is a party for construction, alteration, and/or repair, which requires or involves the employment of mechanics and/or laborers, shall contain a provision stating the minimum wages to be paid various classes of laborers and mechanics that were determined by the Secretary of Labor to be prevailing for corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the city, town, village, or other civil subdivision of the State in which the work is to be performed.

The Administrator of the Wage and Hour Division (WHD), through a delegation of authority by the Secretary of Labor, is responsible for issuing these wage determinations (WDs). Regulations 29 CFR part 1.3 provides, in part, that the Administrator will conduct a continuing program for obtaining and compiling wage rate information for making WDs. The Administrator will also encourage the voluntary submission of wage rate data by contractors, contractors' associations, labor organizations, public officials, and other interested parties, reflecting wage rates paid to laborers and mechanics on various types of construction in the area. *See* 29 CFR part 1.3(a). The information submitted should reflect not only the wage rates paid a particular classification in an area, but also the type or types of construction on which such rate or rates are paid, and whether or not such rates were for federal or federally assisted projects subject to DBA prevailing wage requirements. *Id.*

In October 2009, the National Defense Authorization Act (NDAA) of 2010 (Guam Realignment Fund) placed a requirement on the WHD to establish wage rates for Guam under the provisions of the Davis-Bacon Act. The NDAA also requires that WHD establish such wage rates each year until 90% of the funds for the Guam realignment project are spent. In addition, this Act stipulates that the WHD cannot use the rates and employees working in Guam under the Immigration and Nationality Act (INA) H2B program when calculating the DBA rates. The NDAA required that the WHD amend instructions for completion of the form WD-10, which is the instrument for collection of DBA data.

**2. By whom, how and for what purpose is the information to be used.**

Form WD-10 is an optional form respondents may use to ensure consistency in submission of wage data. Respondents may use an alternate format to submit data, provided it includes the information requested in the applicable regulations. The WHD uses the wage data submitted by voluntary respondents to determine locally prevailing wages under the Davis-Bacon and Related Acts (DBRA). This wage data collection is a primary source of information and is essential to the determination of prevailing wages.

The WHD sends letters announcing a DBRA wage survey to Congressional representatives, contractor trade associations, and building trade unions at both the local and headquarters levels to advise them of the survey and solicit their cooperation in furnishing payment data. The WHD also sends letters to general contractors identified as working on construction projects within the survey period. The letters request that general contractors and subcontractors supply a list of their subcontractors to whom WHD sends notification of the survey. (The WHD provides form WD-10 continuation sheet for this purpose.) In addition, the WHD notifies federal, state, and local agencies. These letters inform them of the type of construction, the area surveyed, the survey period, and cut-off date for data submission. The letter encourages contractors to respond to the survey.

The NDAA (Guam Realignment Fund) placed a requirement on the WHD to establish wage rates for Guam under the provisions of the Davis-Bacon Act. The NDAA required that WHD establish wage rates for Guam each year until 90% of the funds for the Guam realignment project expired. This Act placed an additional requirement on the WHD that it could not use the rates and employees working in Guam under the INA H2B program when calculating the DBA rates.

3. **Consideration of the use of improved information technology.**

Because the WHD has an automated survey data system that generates contact letters notifying interested parties of up-coming surveys, the WHD requests that all interested parties (i.e., national, state and local unions, associated contractor groups) identify the appropriate survey contact(s) for their organizations. The WHD maintains this information in a central data bank and provides a list of active and planned wage surveys on its Internet site (<http://www.dol.gov/whd/govcontracts/wagesurveys.htm>), which broadens accessibility to other interested parties.

In accordance with the Government Paperwork Elimination Act (GPEA), an electronic version of this form is available through the WHD Internet Web site (<http://www.dol.gov/whd/programs/dbra/wd10>), allowing respondents to complete and submit form WD-10 electronically on-line.

WHD mails a paper version of the form to respondents who do not have access to the electronic version of the form.

4. **Efforts to identify duplication.**

Because this information is not available from any other source, and the WHD has the sole responsibility for determining prevailing wages under the DBRA, there is no duplicative effort to obtain this information.

5. **Methods to minimize the burden to small businesses involved.**

This information collection does not have a significant economic impact on a substantial number of small entities. The information collected is the minimum necessary for the WHD to determine prevailing wages under the DBRA.

6. **Consequences to the federal program if information collection occurred less frequently.**

The WHD could not effectively issue WDs based on current prevailing wage rates for various localities throughout the country were the agency to collect the information less frequently.

7. **Special circumstances that would cause the information collection to occur in manner inconsistent with guidelines.**

There are no special circumstances associated with this information collection.

8. **Consultation.**

The Department of Labor (DOL) published a Federal Register Notice on November 25, 2019, inviting public comments about this information collection. 84 FR 64934. The DOL received one comment from Associated Builders and Contractor (ABC) asserting that the time estimate is too low for completion of the survey form WD-10. This 20-minute time estimate is not a change to the instructions provided with the WD-10, and the form's "note" section states that submission of wage data is voluntary. The 20-minute time estimate is an average completion time; accordingly for some participants it will take longer to complete the form and for others it will take less time. WHD believes 20 minutes to be an accurate average time for completion of the WD-10 especially for participants who have prior experience completing the form, and for participants submitting an electronic WD-10.

ABC cited studies that concluded wage rates and other payroll data submitted using the WD-10 was often inaccurate. ABC attributes these errors to a "complicated, onerous, and unnecessary" form, and to an "inherently flawed" survey process "not based on scientific statistical principles." WHD interprets ABC's comment to mean that interested parties use inaccurate data when filling out the WD-10 as opposed to the form's data points soliciting erroneous information.

ABC believes that DOL should use the Bureau of Labor Statistics (BLS) services, their survey methodology, and their data when determining prevailing wage rates for use in DBA wage determinations. An Office of the Inspector General review of the DBA survey program recently explored a similar recommendation. This review resulted in WHD meeting with BLS to discuss alternative methods that could help with updating DBA wage rates including the use of Occupational Employment Survey data and the Consumer Price Index. Meeting participants also discussed limitations imposed by DBA regulations upon how WHD conducts its wage surveys and its ability to use such external data sources. WHD will continue to consider, in consultation with the Solicitor of Labor, whether it would be legally permissible and programmatically appropriate to use alternative methods for updating DBA wage rates.

To maximize opportunities for participation, the WHD (as previously indicated in Item 2) sends letters announcing a DBRA wage survey to Congressional representatives, contractor trade associations, and building trade unions at both the local and headquarters levels to advise them of the survey and solicit their cooperation in furnishing payment data. The WHD also sends letters to general contractors and subcontractors identified as working on construction projects within the survey period. In addition, the WHD notifies federal, state, and local agencies. The contents of these letters concern the type of construction, the area surveyed, the survey period, and the cut-off date for data submission. The letters ask recipients to encourage contractors to respond to the survey when contacted. Finally, in order to facilitate participation by interested parties not known to the agency, the WHD Web site also includes information about upcoming and ongoing DBRA WD surveys. See [www.dol.gov/whd/programs/dbra/surveys.htm](http://www.dol.gov/whd/programs/dbra/surveys.htm). WHD has not become aware of improved collection methods due to these additional outreach efforts.

**9. Explain any decision to provide any payment or gift to respondents.**

The WHD makes no payments or gifts to respondents.

**10. Describe any assurances of confidentiality provided to respondents.**

The WHD informs respondents that it will keep their identity confidential to the maximum extent possible under existing law. As a practical matter, the WHD would only disclose information collected under this request in accordance with the provisions of the Freedom of Information Act, 5 U.S.C. 552, and its attendant regulations, 29 CFR 70, and the Privacy Act, 5 U.S.C. 552a, and its attendant regulations, 29 CFR 71. The WHD has disclosed summaries of the wage data utilized to determine prevailing wages and fringe benefits but not the names and addresses of the respondents who submitted the data.

**11. Additional justification for any questions of a sensitive nature.**

The WHD asks no sensitive questions in this information collection.

**12. Estimates of reporting and recordkeeping hour and cost burdens of the collection of information.**

**Estimated Annualized Respondent Burden Hours and Costs**

Form	Number of Respondents	Number of Responses per Respondent	Total Annual Responses	Avg. Burden per Response (in Hrs.)	Total Burden Hours	Hourly Wage Rate	Total Burden Costs
WD-10	2,731	7.7	21,029	20min/ 60min or .3333 hrs.	7,009	\$28.32 \$46.1 6 Adjusted Benefits/ overhead	\$323,535

Clerical personnel generally complete most WD-10s. Without specific wage data regarding respondents, the WHD has used the December 2019 average hourly earnings for workers in the private sector on nonfarm payrolls of \$28.32 to estimate respondent costs. This hourly rate was adjusted by a factor of 46% for benefits and 17% for overhead [(\$28.32 x .46) + (\$28.32 x .17) + \$28.32 = \$46.16] (See, *The Employment Situation: December 2019*, Table B-3, DOL, U.S. Bureau of Labor Statistics, [https://www.bls.gov/news.release/archives/empsit\\_01102020.htm](https://www.bls.gov/news.release/archives/empsit_01102020.htm). (This document is uploaded in ROCIS as a supplementary document.)

13. **Estimates of annualized capital and startup costs.**

There are no costs to the respondent other than their time in Item A12.

14. **Estimates of annualized Federal Government costs.**

The WHD, based on expenses, estimates annual Federal costs as follows:

- **Analysis**

Thirteen (13) WHD Wage Analysts spend seventy (70) percent of their hours worked analyzing and compiling wage data from completed WD-10 forms. All Wage Analysts are GS-11's. Labor costs were determined using the 2020 median GS-11 annual salary (step 5) of \$81,634. See GS salary chart at <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2020/DCB.pdf>.

13 GS-11 (Step 5) employees x \$81,634 annual salary x 0.70 time = \$742,869

**Analysis Sub-Total: \$742,869**

- Mail Processing Costs for 47,082 Surveys

Under an Inter-Agency Agreement, the US Census Bureau (Census) mails forms WD-10 for the WHD to potential survey respondents, enclosing franked and addressed envelopes for returning completed forms. Census also scans returned forms, envelopes, and attachments into the automatic survey data system. WHD reimburses Census for printing, mailing, and scanning costs.

Printing and Mailing (contract obligated cost):	\$160,000
Scanning (contract obligated cost):	\$220,000

**Mail Processing Sub-Total \$380,000**

- Contract for Data Entry and remote data verification (ERG)

- Data Sources **\$1,983,123**  
(WHD Share for *FW Dodge Reports* subscription) **\$398,968**

**TOTAL ANNUAL FEDERAL COSTS**

(\$742,869 + \$380,000 + \$1,983,123 + \$398,968) = **\$3,504,960**

**15. Explanation for change in burden.**

The WHD reduced the annual burden hours for this request from 12,000 to 7,009. This reduction in burden hours is partially due to a decrease in the number of respondents (24,000 to 2,731) attributable the elimination of duplicative counting, and to a corresponding increase in the number of responses per respondent (1.5 to 7.7). Additionally, the reduction in respondents and burden hours might be due to the WHD conducting surveys in 2016 covering different construction types and demographics yielding a greater number of respondents and burden hours than the amounts produced by the types of surveys conducted in 2019. WHD may survey highway construction in Texas in 2020. Given the large size of this State and the frequency of highway construction, this survey, if it occurs, will likely yield a number of respondents for the 2023 renewal greater than the amount recorded in this 2020 request.

**16. Information collections data publication plans.**

The WHD does not publish this information for statistical use.

**17. Explanation for seeking not to display the expiration date for OMB approval of the information collection.**

The WHD will display the expiration date for this information collection.

**18. Exception to the certification statement.**

The WHD does not seek an exception to the certification requirement.