

Prevailing Wage Guidance

Version 1, as of April 3, 2026

The Illinois Prevailing Wage Act (820 ILCS 130) establishes minimum wage standards for workers on public works projects funded wholly or partly by state funds. This Act and its requirements apply to all grantees, contractors and relevant subcontractors working on Connect Illinois Round 4 Broadband Equity, Access and Deployment (BEAD) Program projects and is also reflected in the BEAD Grant Agreement.

The Act also outlines record-keeping responsibilities for contractors and subcontractors, and it details the obligations of municipalities and other public bodies to determine the applicable prevailing wage rates. In addition, grantees must provide written notice of the Prevailing Wage Act to all contractors and subcontractors during the bidding process, in contract awards, and in work orders.

This document contains:

- [Prevailing Wage Requirements](#)
- [Paying the Prevailing Wage](#)
 - [Notifying Subcontractors](#)
 - [Submission of Certified Payroll](#)
 - [Storing and Organizing Records](#)
- [Grantee Reporting to the Office of Broadband](#)
- [Consequences for Non-Compliance](#)

Prevailing Wage Requirements:

Prevailing wage applies to all fixed works constructed by any public body or paid in whole or in part with public funds, including all projects funded or financed in whole or in part with bonds, grants, loans or other funds made available by or through the State or any of its political subdivisions, or undertaken by an institution supported in whole or in part by public funds. All Connect Illinois projects must follow prevailing wage requirements for any infrastructure built up to the service drop. Infrastructure constructed from the drop to the home is not subject to prevailing wage requirements. A project does not have to be intended for public use for prevailing wage to apply.



Grantees and/or relevant contractors must adhere to the following requirements to be in compliance with the Prevailing Wage Act:

- Pay at or above the prevailing wage rate to all laborers on a public works project.
- Ensure contractors and subcontractors are aware the work must comply with Prevailing Wage Act requirements.
- Post prevailing wage rates at job sites, at the place where laborers, workers, and mechanics regularly visit, or provide each laborer, worker, and mechanic with a written notice of the prevailing rates for the project.
- File certified payrolls to the Illinois Department of Labor (IDOL).
- Store and organize other reporting records.

Paying the Prevailing Wage

All grantees and their subsequent contractors and subcontractors must ensure that their construction labor workers are paid not less than the associated prevailing wage based on their location and trade classification. Construction means all work performed on public works by laborers, workers, or mechanics and includes maintenance work. The prevailing rate applies to all contractors/subcontractors regardless of union affiliation.

The rates for prevailing wage can change **on a monthly basis**, so providers should always reference the current prevailing rates on the IDOL website. When there is a change in the prevailing wage, the revised rate applies to all projects currently underway as well as future projects. The revised rate is **not retroactive**.

Steps to identify the relevant prevailing wage rates based on location and job classification:

- Visit the [Current Prevailing Wage Rates Site](#).
- Select the relevant date (most likely “current”).
- Select the relevant county.
- Find the relevant classification.
 - Note: IOB and IDOL recognize broadband construction does not fit easily within established classification titles. To facilitate grantee compliance with the Prevailing Wage Act, IOB refers grantees to the following titles, which can be used for the construction of the project, along with any other classifications the grantee identifies.
 - Operating Engineer
 - Laborer
 - Electrical Power Lineman
 - Electrical Tech (*Cook County only*)

Fringe Benefits

The Act requires fringe benefits (Health and Welfare, Pension/Annuity, Training, and Vacation in some localities) to be paid. Contractors/subcontractors may choose to pay the entire prevailing wage determination in cash (or equivalent) or they may choose to pay some in cash and some in allowable fringe benefits. If a contractor/subcontractor does not pay any allowable fringe benefits, then the total prevailing wage hourly determination must be made up in the hourly wage rate to comply with Prevailing Wage Act. Additional fringe benefit overtime amounts may be owed in some cases.

A contractor/subcontractor cannot reduce the wage component by paying a greater amount in allowable fringe benefit component. Similarly, if a contractor/subcontractor pays less in the allowable benefit component, then the difference must be added to the base wage component, even if the contractor/subcontractor is complying with the terms of a collective bargaining agreement.

Apprentices

Only persons who are enrolled in a U.S. Department of Labor (USDOL) certified apprenticeship program may be paid an apprenticeship rate of pay. The rate of pay is determined by the U.S. Department of Labor apprenticeship program, but a contractor must pay the same fringe benefits as required for a journeyman. A contractor may not establish different subcategories of apprentices and pay a different rate. There are no rates for persons who may be called "pre-apprentice." The only exception to the prevailing rate is USDOL Certified Apprentices.

Notifying Subcontractors

All grantees must notify everyone working on a project that the Prevailing Wage Act applies, including contractors and subcontractors. Notification must be included in all bid documents and contracts, including for work performed by the grantee.

Submission of Certified Payroll

Certified payrolls are records that establish all the workers on a project, when they worked, and how much they were paid. Grantees, contractors, and/or subcontractors are required to submit certified payrolls to the IDOL portal monthly (by the 15th day of the month following the month when the work was performed) while working on public works. It is recommended to submit each time there is a payroll cycle in the month. These payrolls can be submitted in the IDOL portal as a csv. Instructions to access the portal [are linked here](#) and a template for the csv is linked [here](#).

Storing and Organizing Records

Beyond reporting the certified payroll, contractors and subcontractors are required to maintain additional records detailing the work performed on public works projects. These records are required to be stored and organized for no less than five years from date of last payment on a project. All records are considered public records and shall be open to the IDOL, the Public Body, and to federal, state, or law enforcement agencies and prosecutors for inspection at all reasonable hours. If the IDOL requests records, the contractor/subcontractor must submit a sworn statement of the accuracy of the records. Within seven business days of IDOL's request, the contractor and all subcontractors must make the listed records available for the Director of Labor to review, scan, and make duplicates. These records must be accessible during normal business hours at a location within the State.

Examples of Records Contractors and Subcontractors Must Maintain:

- Records of all laborers, mechanics and other workers employed by them on the project, which records must include each worker's name, address, telephone number when available, and social security number
- Classification or classifications of such workers
- Worker's gross and net wages
- Number of hours worked each day by the workers
- Worker's starting and ending times of work each day
- Worker's hourly wage rate
- Worker's hourly overtime rate
- Worker's hourly fringe benefits rate
- Name and address of each fringe benefit fund
- Plan sponsor of each fringe benefit
- Plan administrator of each fringe benefit

Grantee Reporting to the Illinois Department of Labor vs. Office of Broadband

The IDOL is responsible for enforcing the Prevailing Wage Act and recording the wages paid. Grantees should submit all certified payroll to the IDOL as they serve as the official source for confirming prevailing wage has been utilized, should a third party wish to confirm compliance. IOB monitors costs with the regular quarterly reports. During this process the grantee will be asked to submit documents for expenses incurred and proof of payment, yet this documentation will not take the place of required submission to IDOL.

When contractors file certified payroll with the IDOL, they will receive a PDF copy of their submission. DCEO may request a copy of that email as confirmation that the relevant contractor is adhering to Prevailing Wage. A public body can also create an Illinois Public ID account to access the Certified Transcript of Payroll Searchable Database.

Consequences for Non-Compliance

Failure to Notify Subcontractor

If a grantee or contractor fails to notify associated subcontractors that a project is subject to the prevailing wage, the subcontractor is nevertheless responsible to comply with the Act's requirements regarding paying the prevailing wage for all hours worked, but the contractor will be liable for any penalties that might be assessed by the IDOL. Instead, the grantee or contractor who failed to notify the subcontractors will be liable for any penalties.

Violation of the Act

If the IDOL finds that a contractor/subcontractor has violated the Act, the contractor/subcontractor is liable for the difference between what was paid to the employees and the prevailing wage for all hours worked and owes the IDOL a 20% penalty of underpayment. In addition, the worker(s) is owed 2% of the amount of any such penalty for each month during which underpayments remain unpaid. For a second or subsequent violation the 20% penalty is increased to 50% and the 2% penalty is increased to 5%.

Failure to Submit Certified Payroll

If a contractor/subcontractor fails to submit a certified payroll, the contractor violates the Act and is subject to a Notice of Violation. If a contractor or officer or employee or agent of a contractor fails to file a certified payroll before the due date or who willfully files a false certified payroll as to a material fact is guilty of class A misdemeanor and who is found guilty is subject to immediate debarment and prohibited from participating in any public works project for four years with no right to a hearing.

Failure to Maintain Records

A contractor/subcontractor who fails to maintain the required records and /or fails to produce the records violates the Act and is subject to a Notice of Violation. Two Notices of Violation within a five-year period can lead to debarment from working on public works projects.

Additional State Guidance and Resources

- [Prevailing Wage Act 820 ILCS 130](#)
- [FAQs Prevailing Wage Act](#)
- [DCEO Site for Prevailing Wage Act](#)