



Illinois
Department of Commerce
& Economic Opportunity
OFFICE OF BROADBAND
JB Pritzker, Governor



UNIVERSITY OF ILLINOIS SYSTEM



Introduction to the Prevailing Wage Act for Broadband

Closing the Digital Divide in Illinois

June 13, 2024

Today's agenda

- Context Setting & Recap:
 - Illinois Office of Broadband
 - Broadband Equity Access and Deployment (BEAD) Program
- Prevailing Wage Basics
- Common Broadband Project Classifications
- How to Find Rates
- Responsibilities and Enforcement
- Next Steps, Q&A



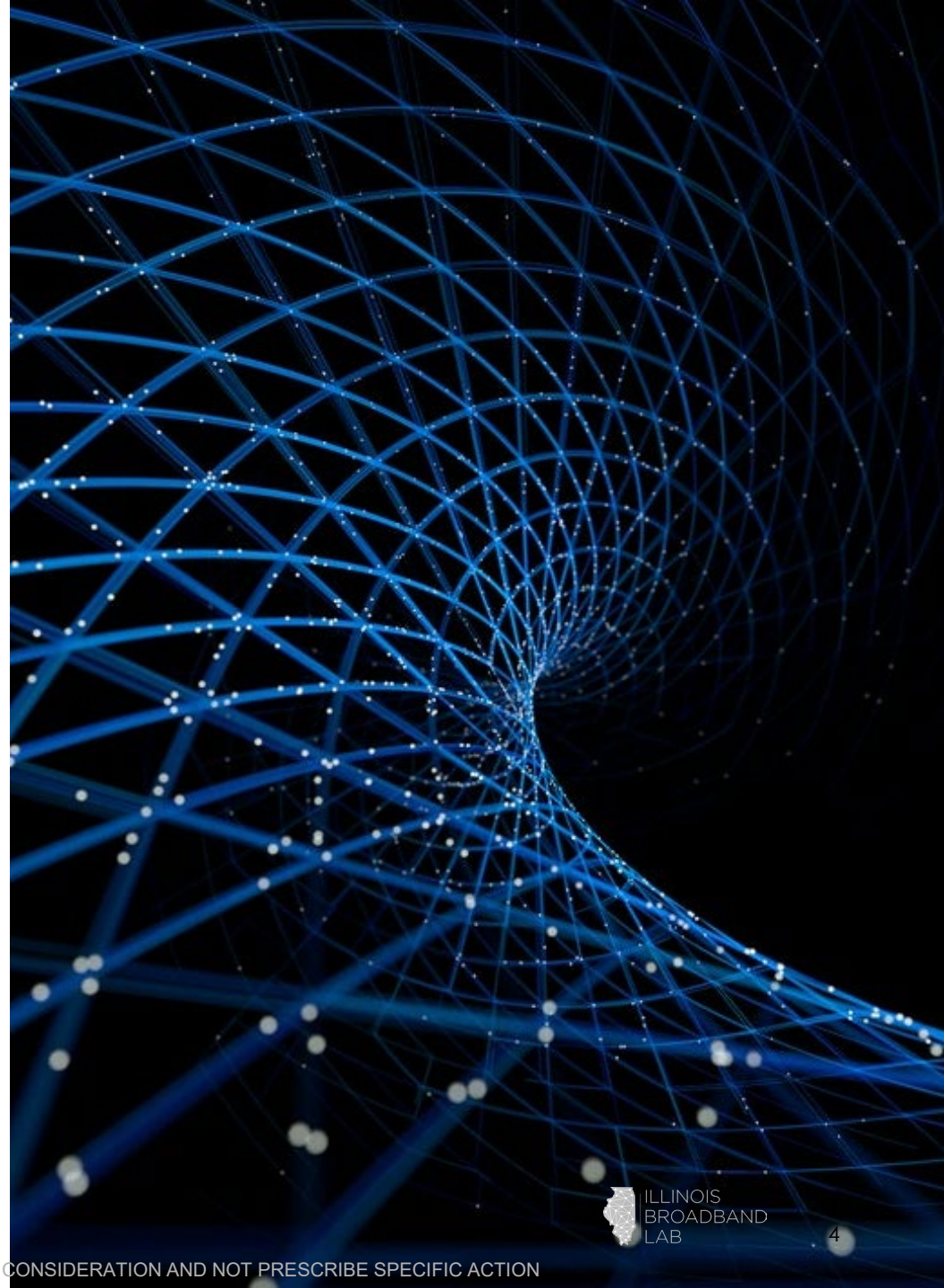
Objectives

After this webinar, participants will...

- Be familiar with the Prevailing Wage Act
- Understand how the prevailing wage impacts broadband deployments
- Feel empowered to ask additional questions and seek support in preparation to comply with the Prevailing Wage Act during the BEAD Program
- Tell the Office of Broadband how we can support you → help US help YOU!

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Context Setting & Recap



Illinois Office of Broadband

Launched in 2019 with the Connect Illinois initiative

Tasked with connecting every single resident in Illinois with fast, reliable, and affordable internet

- Administering grants for broadband infrastructure (BEAD \$1B+) and digital equity (\$30M+)
- Engaging regional champions and community organizations



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Illinois Broadband Lab



- University contributor to Office's broadband partnership
- Tasked with research, data gathering, and digital navigation resources
- Lead statewide engagement through public university partnerships (Broadband READY)
 - Illinois Broadband Map
 - County One-Pagers
 - Dashboards & Research
 - Digital Navigator Network

<https://broadband.uillinois.edu/>





What is the goal of BEAD?



The BEAD Program awarded Illinois **\$1.04 billion** to connect all unserved and underserved locations to broadband over the next 5 years



Ensure universal broadband coverage in the state, using fiber wherever possible



Prioritize access for unserved & underserved locations, community anchor institutions, and Wi-Fi equipment for MDUs²



Select sub-grantees to implement broadband within one year, and complete implementation within four years³



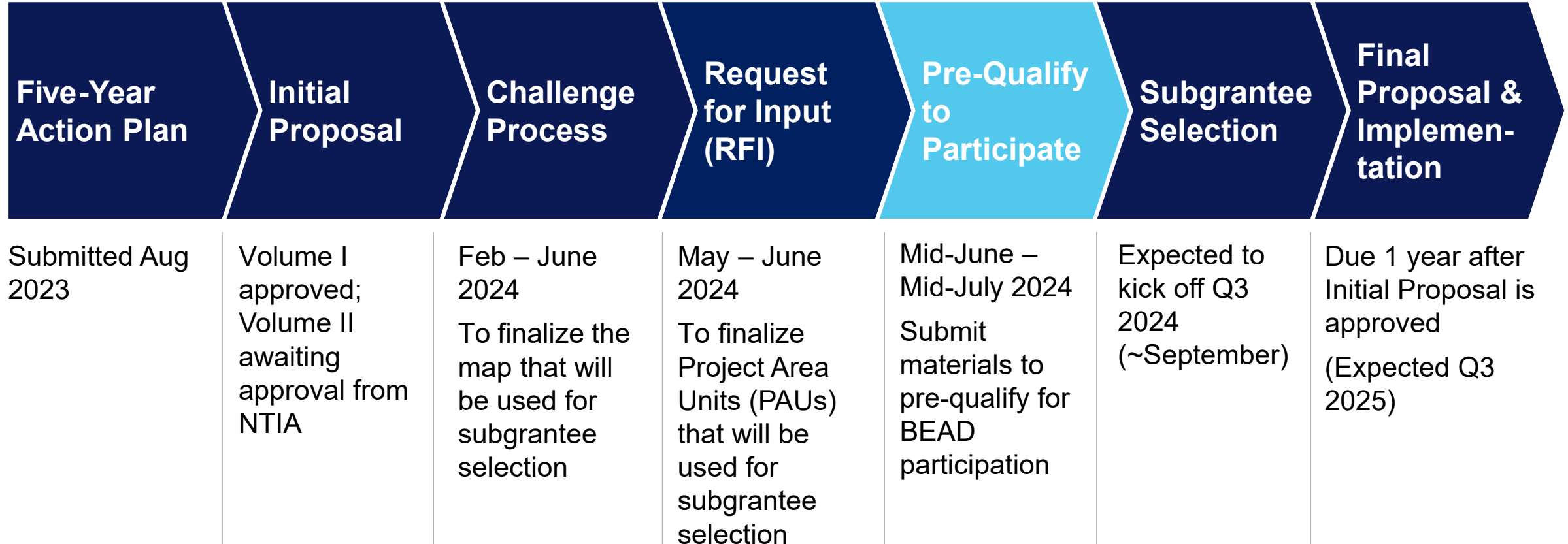
Improve broadband affordability through a low-cost broadband service option and middle-class affordability plan⁴

1. Page 14 of BEAD NOFO, on the definition of Priority Broadband Project
2. Page 33 of BEAD NOFO, on the allocation of grant funds
3. Page 65 of BEAD NOFO, on deployment deadlines and benchmarks
4. Page 42-46 of BEAD NOFO, on inclusion of affordability in the BEAD scoring criteria

Connect Illinois Round 4 (BEAD) Timeline and Key Milestones

TIMELINE PRELIMINARY

SUBJECT TO NTIA APPROVAL



We are here



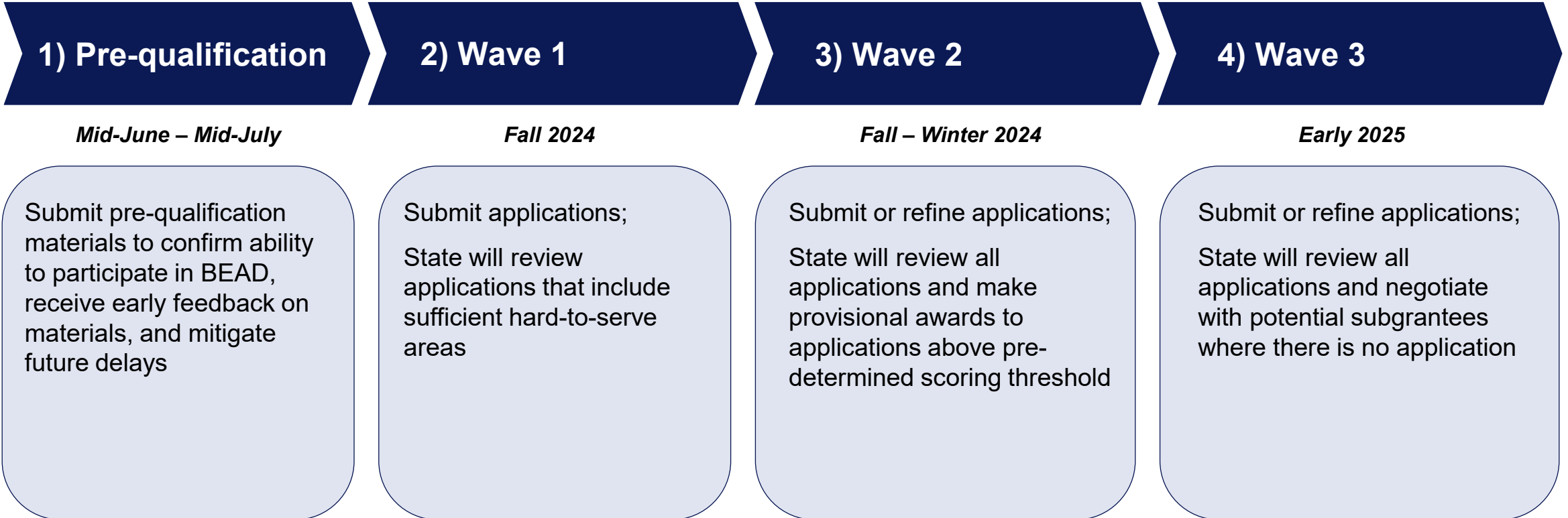
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Connect Illinois Round 4 include four key steps

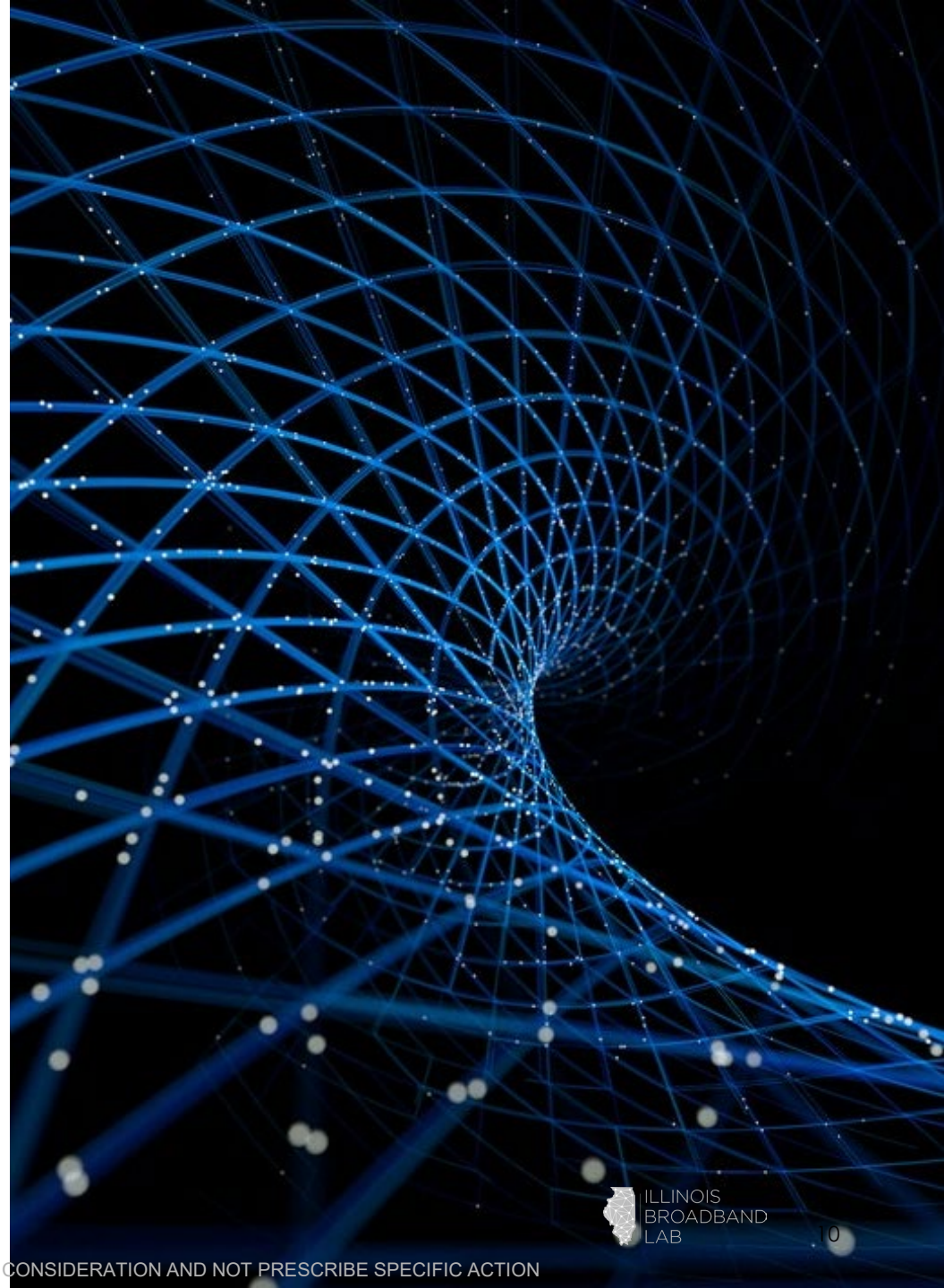
INFORMATION BASED ON STATE DECISION

TIMELINE TENTATIVE



2

Prevailing Wage Basics



Illinois Prevailing Wage Act (820 ILCS 130)

The Statute:

“Not less than the general prevailing rate of hourly wages for work of a similar character on public works in the locality in which the work is performed, and not less than the general prevailing rate of hourly wages for legal holiday and overtime work, shall be paid to all laborers, workers and mechanics employed by or on behalf of any public body engaged in the construction or demolition of public works.” 820 ILCS 130/3

Context:

- Simple idea - if tax dollars are used on a construction or demolition project, then the workers on that project should be paid a certain amount
- No “races to the bottom”
- Level playing field
- All Connect Illinois Projects require prevailing wages. We put it in the Grant Agreement.

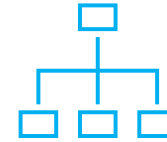


What is a “Prevailing Wage”?



The Basics

- What most people doing that kind of work make for it in that area.
- Note that it is depends on geography. Cook County has different rates than Sangamon County. Sometimes, different regions of counties are different, too.
- Note that it includes fringe benefits.
- And finally, note that it depends on the “character” of the work- in other words, the classification of the job.



Classifications

- The rate depends on the classification of each job.
- This roughly breaks down into different trades: carpenters vs. electricians vs. laborers, etc.
- But there can be further classifications. For example, truck drivers are broken out by how many axles they drive.
- Most common classifications on Connect Illinois projects are Electrical Lineman, Laborer, and Operating Engineer.

Prevailing wages are determined through an annual survey

- The rates are determined by an annual survey conducted by the Illinois Department of Labor.
- This survey is conducted every June, with the results published on July 15.
- Periodic updates throughout the year.
- Heavily based on rates set by CBAs, PLAs, etc.



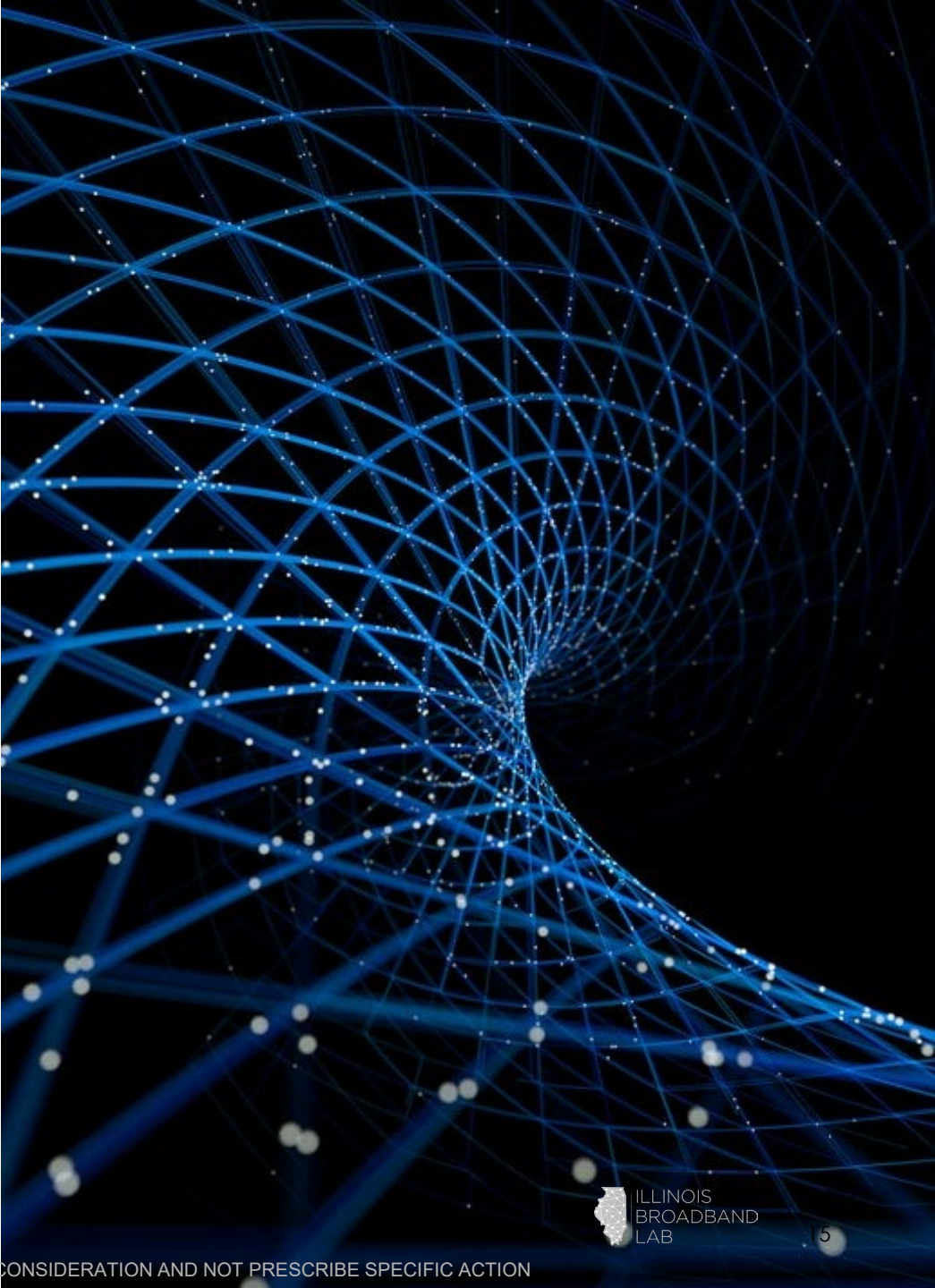
All “Public Works” projects must comply with the Prevailing Wage Act

- Public Works project = any project paid for with public money (tax dollars) in any amount, from any level of government.
- All forms of public, money, too: contracts, grants, loans, etc.
- Over the years, the Illinois General Assembly has expanded and contracted the definition to include or exclude certain pet projects.
- Notable developments: tax breaks, renewable energy, electric vehicles.
- All Connect Illinois projects are public works projects.



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Common Broadband Project Classifications



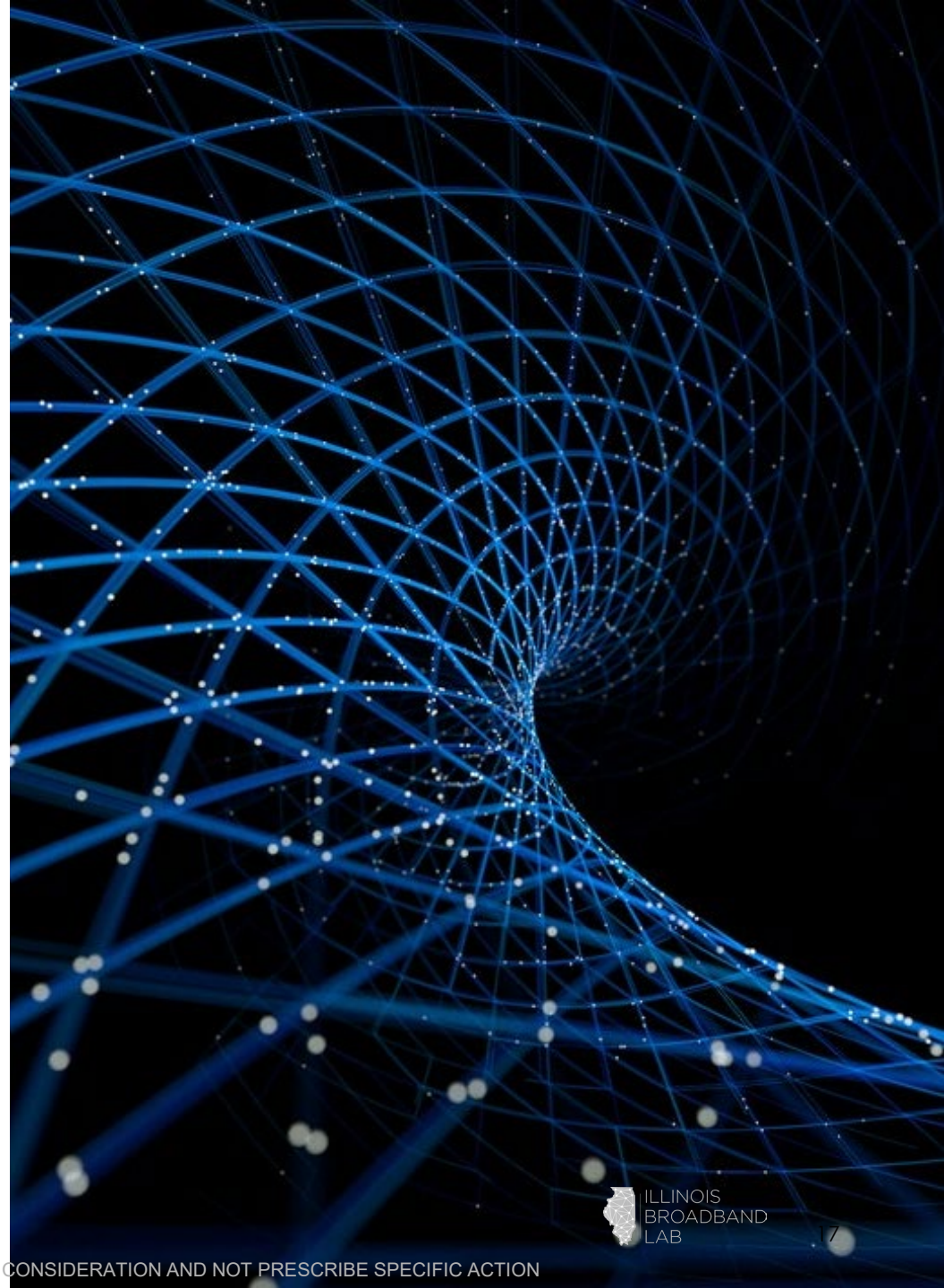
Most Common Classifications on Broadband Projects

How to identify which job functions apply to your project

Classification	Description	Considerations
Electric Power Lineman	Journey level skilled installation / repair / maintenance of lines	Most common class on broadband jobs
Electric Power Groundman	Entry level; assists Lineman	Essentially lineman's assistant
Laborer	Performs unskilled manual labor; digging, moving, etc.	Broad category, doesn't require specific training or certification
Operating Engineer (Operator)	Operates heavy machinery (i.e., trenchers, excavators)	Least common for broadband projects

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How to Find Rates



Visit the Illinois Department of Labor's (IDOL) website to find rates

The Rates for each classification are on IDOL's website:

labor.illinois.gov/laws-rules/conmed/rates





Welcome to the Illinois Department of Labor



Visit Illinois Work Safe

Learn More



Paid Leave for All Workers

Learn More



Freelance Worker Protection Act

Learn More



Electronic Document Signing

Learn More

Mediation Division

Apprenticeship Survey

Certified Transcript of Payroll

Clean Energy Report

Employee Classification Act

ECA Reporting Requirement
Submission

Equal Pay Act of 2003

Equal Pay Registration
Certificate (EPRC)

Personnel Records Review Act

Prevailing Wage Act

Prevailing Wage Rates

Conciliation and Mediation Division

Laws Enforced

- [Employee Classification Act](#)
- [Employment of IL Workers on Public Works Act \(IL Preference Act\)](#)
- [Equal Pay Act of 2003](#)
- [Equal Pay Registration Certificate](#)
- [State Construction, Apprenticeship Program - Minority and Female Building Trades Act](#)
- [State Construction - Use of Illinois Resident Labor](#)
- [State Services - Prevailing Wage Requirements](#)
- [Personnel Records Review Act](#)
- [Prevailing Wage Act](#)
- [Right to Privacy in the Workplace Act](#)
- [Victims' Economic Security and Safety Act \(VESSA\)](#)
- [Whistleblower - Child Care Act of 1969](#)
- [Whistleblower - Environmental Protection Act](#)



Conciliation and Mediation Division

Apprenticeship Survey

Certified Transcript of Payroll

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Prevailing Wage Act

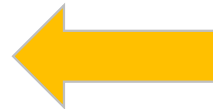
Requires contractor and subcontractor to pay laborers, workers, and mechanics employed on public works projects, no less than the general prevailing rate of wages (consisting of hourly cash wages plus fringe benefits) for work of similar character in the locality where the work is performed.

Violators must pay workers the difference between the wage paid and the prevailing wage, and are subject to penalties and punitive damages. A contractor or subcontractor found to have violated the Act on two occasions in a five-year period may be disbarred from public works projects for four years. Contractors are required to post prevailing wage rates at job sites.

What are the Prevailing Wage rates?

The Prevailing Wage rates are covered under two separate laws: Prevailing Wage Act and Illinois Procurement Code. The following are the prevailing wage classifications and rates the Department of Labor ascertained for each county within the State of Illinois.

- [View Prevailing Wage Rates](#)



Historical Prevailing Wage Rates

2023-
2024

- [Current Prevailing Rates - As of May 20, 2024](#)
 - [Rates - Effective April 15, 2024](#)
 - [Rates - Effective March 19, 2024](#)
 - [Rates - Effective March 4, 2024](#)
 - [Rates - Effective January 25, 2024](#)
 - [Rates - Effective December 7, 2023](#)
 - [Rates - Effective October 5, 2023](#)
- [Food Service Rates](#)
 - [Janitorial Service Rates](#)
 - [Security Chicago](#)
 - [Security DuPage, Lake, Will, Cook](#)
 - [Security all other counties](#)



Current Prevailing Rates

The rate schedules linked to on this page contain the prevailing wage rates required to be paid for work performed on or after May 20, 2024, on public works projects in each County. Pursuant to 820 ILCS 130/4, public bodies in each County that have active public works projects are responsible for notifying all contractors and subcontractors working on those public works projects of the change (if any) to rates that were previously in effect.

[\(Click here to see archived rates\)](#)

[Adams County_\(1\)](#)

[Alexander County_\(2\)](#)

[Bond County_\(3\)](#)

[Boone County_\(4\)](#)

[Brown County_\(5\)](#)

[Bureau County_\(6\)](#)

[Calhoun County_\(7\)](#)

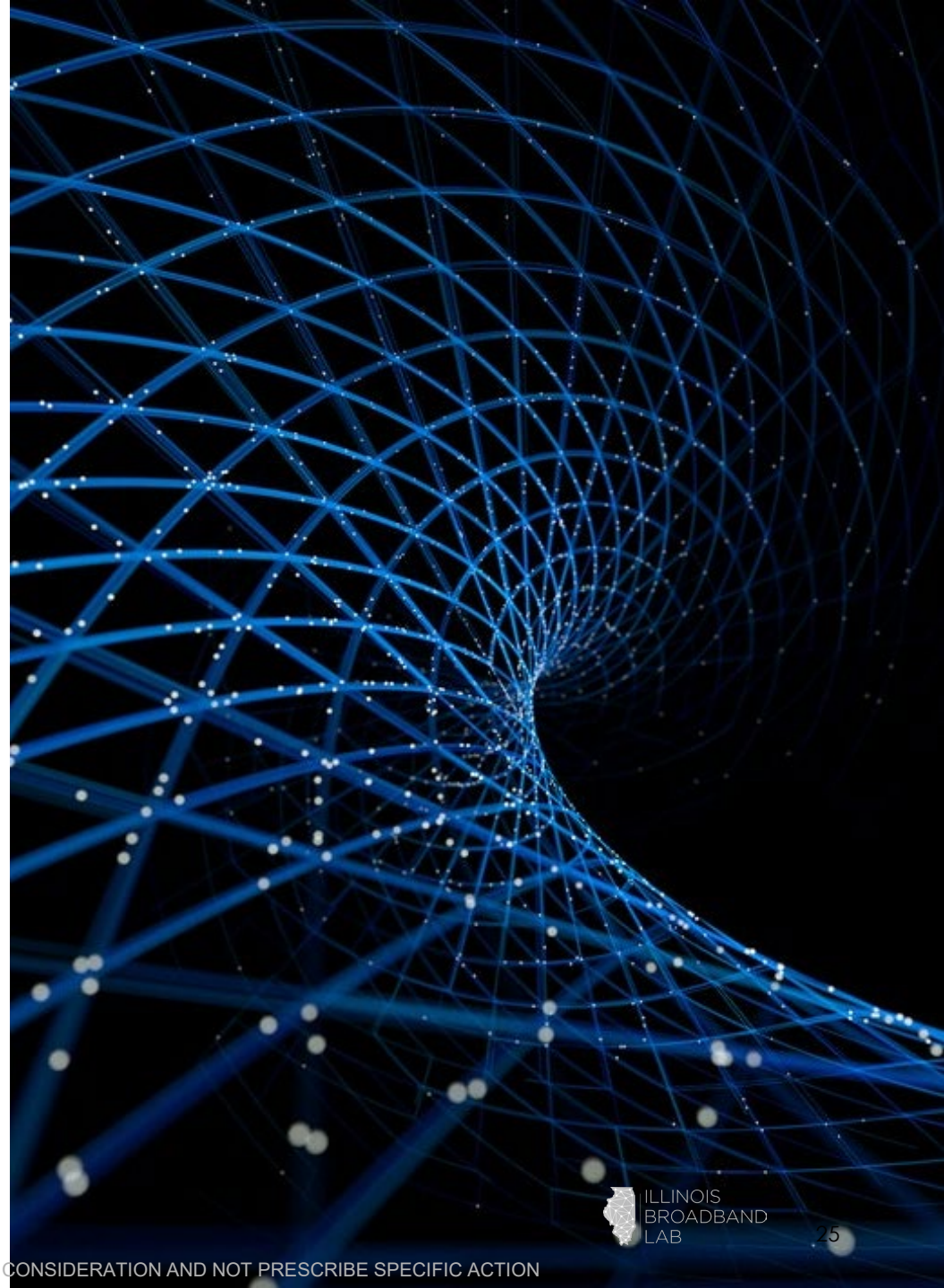
[Carroll County_\(8\)](#)

Adams County Prevailing Wage Rates posted on 5/20/2024

Trade Title	Rg	Type	C	Base	Foreman	Overtime					Pension	Vac	Trng	Other Ins	Add OT 1.5x owed	Add OT 2.0x owed
						M-F	Sa	Su	Hol	H/W						
ASBESTOS ABT-GEN	All	BLD		30.22	31.97	1.5	1.5	2.0	2.0	10.50	13.26	0.00	0.80		0.00	0.00
ASBESTOS ABT-MEC	All	BLD		34.30	35.30	1.5	1.5	2.0	2.0	10.20	6.80	0.00	0.50	0.00	0.00	0.00
BOILERMAKER	All	BLD		42.50	46.00	1.5	1.5	2.0	2.0	7.07	27.21	0.00	1.06		0.00	0.00
BRICK MASON	All	BLD		34.81	36.90	1.5	1.5	2.0	2.0	9.60	13.39	0.00	1.01	0.00	0.00	0.00
CARPENTER	All	BLD		35.15	37.40	1.5	1.5	2.0	2.0	9.45	21.50	0.00	0.79	0.00	15.48	30.95
CARPENTER	All	HWY		37.82	39.57	1.5	1.5	2.0	2.0	9.45	21.50	0.00	0.76	0.00	0.00	0.00
CEMENT MASON	All	BLD		31.80	33.30	1.5	1.5	2.0	2.0	10.00	16.16	0.00	0.73	0.00	0.00	0.00
CEMENT MASON	All	HWY		32.03	34.03	1.5	1.5	2.0	2.0	10.00	17.60	0.00	0.66	0.00	0.00	0.00
CERAMIC TILE FINISHER	All	BLD		34.27		1.5	1.5	2.0	2.0	9.60	12.70	0.00	0.55	0.00	0.00	0.00
ELECTRIC PWR EQMT OP	All	ALL		52.63	62.45	1.5	1.5	2.0	2.0	8.58	14.74	0.00	0.79	0.00	0.00	0.00
ELECTRIC PWR GRNDMAN	All	ALL		35.76	62.45	1.5	1.5	2.0	2.0	8.07	10.01	0.00	0.54	0.00	0.00	0.00
ELECTRIC PWR LINEMAN	All	ALL		58.58	62.45	1.5	1.5	2.0	2.0	8.76	16.40	0.00	0.88	0.00	0.00	0.00
ELECTRIC PWR TRK DRV	All	ALL		37.53	62.45	1.5	1.5	2.0	2.0	8.13	10.51	0.00	0.57	0.00	0.00	0.00
ELECTRICIAN	All	BLD		37.00	40.50	1.5	1.5	2.0	2.0	8.75	11.33	0.00	0.90		0.00	0.00
ELECTRONIC SYSTEM TECH	All	BLD		33.47	36.47	1.5	1.5	2.0	2.0	8.56	13.82	0.00	0.40		0.00	0.00
ELEVATOR CONSTRUCTOR	All	BLD		55.57	62.52	2.0	2.0	2.0	2.0	16.17	20.96	4.45	0.75		0.00	0.00
GLAZIER	All	BLD		38.60	40.60	1.5	1.5	2.0	2.0	7.85	13.77	0.00	0.68	0.00	0.00	0.00
HEAT/FROST INSULATOR	All	BLD		41.73	42.73	1.5	1.5	2.0	2.0	11.74	13.50	0.00	1.05		0.00	0.00
IRON WORKER	All	ALL		31.55	33.80	1.5	1.5	2.0	2.0	8.49	15.58	0.00	0.98		0.00	0.00
LABORER	All	BLD		28.72	30.47	1.5	1.5	2.0	2.0	10.50	13.26	0.00	0.80		0.00	0.00
LABORER	All	HWY		32.50	34.00	1.5	1.5	2.0	2.0	10.50	17.06	0.00	0.80		0.00	0.00

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Responsibilities and Enforcement



Prevailing Wage – Responsibilities & Compliance

Responsibilities

- Every grantee has to provide proper notice that prevailing wage applies. 820 ILCS 130/4.
- Has to be in all RFAs, RFPs, bid documents, etc.
- In every contract, too.
- Generally, responsibility to file certified payrolls rests with the contractor, but if the grantee self performs some of the work, they will be responsible for certified payrolls

Demonstrate compliance by submitting **certified payrolls**



Compliance Tips

- Heart of all prevailing wage considerations.
- All contractors- primes and subs- must submit certified payrolls every two weeks. 820 ILCS 130/5.
- A record of who was paid (including fringe) how much for what kind of work.
- IDOL accepts many different formats for payrolls so long as all the information is there.

Certified Transcript of Payroll

IDOL Case File Number: _____

Payroll Start: _____

Payroll End: _____

Contractor and/or Subcontractor

Public Body Information

_____ (Contract Number)	_____ (Company Name)	_____ (Public Body Name)
	_____ (Contact Name)	_____ (Contact Name)
_____ (Project Number)	_____ (Street Address)	_____ (Street Address)
	_____ (City)	_____ (City)
_____ (Project Location)	_____ (State) _____ (Zipcode)	_____ (State) _____ (Zipcode)
	_____ (Telephone Number)	_____ (Telephone Number)

Report Hours for Each Day, Including Overtime Hours, List Hourly Prevailing Wage Rate and Hourly Fringe Benefits Allotments.

Worker Name, Address Last Four of SSN & Telephone Number	PW	* Hours worked each day							Total Straight Time Hours	Total OT Hours	Hourly Wage Rate	OT Wage Rate	Per Pay Period	
		SUN	MON	TUE	WED	THR	FRI	SAT					Gross	Net
	N													
Labor Classification _____		Hourly Fringe Benefit: Pension: _____ Health/Welfare: _____ Vacation: _____ Training: _____												
	N													
Labor Classification _____		Hourly Fringe Benefit: Pension: _____ Health/Welfare: _____ Vacation: _____ Training: _____												
	N													
Labor Classification _____		Hourly Fringe Benefit: Pension: _____ Health/Welfare: _____ Vacation: _____ Training: _____												

Please place an "F" by the hourly rate for fringe benefits paid to a Fund jointly managed by one or more labor organizations or employers in accordance with the federal Labor Management Relations Act (See instruction 4 for completing this form). In addition contractors/subcontractors who do not make contributions for covered fringe benefits to a fringe benefit fund that is jointly managed and jointly governed by one or more labor organizations or employers in accordance with the federal Labor Management Relations Act must provide the additional information set forth on the form on page 2 (see Instruction 5). Contractors/subcontractors who do not make contributions for fringe benefits on a per hour basis for each hour worked must convert such contributions to an annualized per hour basis for purpose of reporting on this form in accordance with instruction 5. You must keep original records showing start and end time each day.

***PW - Prevailing Hours Worked *N - Non Prevailing Hours Worked**

Who is involved in enforcing Prevailing Wage?

Agency	Role
Illinois Department of Labor (IDOL) *Primary enforcement agency*	<ul style="list-style-type: none"> • The primary enforcement agency for Prevailing Wage issues. • Complaint-based. • Empowered to investigate, order the payment of back wages, and assess fines. 820 ILCS 130/10. • Debarment- 2 violations within 4 years. 820 ILCS 130/11a. • But note that sometimes they will not record a violation. Negotiation tactic to get prompt payment of back wages/fines.
Illinois Office of the Comptroller *Halts payments during investigation*	<ul style="list-style-type: none"> • Works in concert with IDOL • When IDOL is investigating a state project, IOC will halt state payments on the project until the investigation is resolved. • IOC independently confirms some facts, but does not conduct a formal investigation like IDOL. • Once IDOL either clears a contractor or receives backpay/fines from the contractor, IOC will release all state money to the contractor. • Puts pressure on contractors to resolve issues faster.
Illinois Attorney General *Not typically involved*	<ul style="list-style-type: none"> • Workplace Rights Division • Empowered to bring civil claims • Usually used for larger, more complex claims.
State's Attorneys *Not typically involved*	<ul style="list-style-type: none"> • Rarely bring cases. • Hard to establish intentional non-compliance. • Many SAs will defer to the AGO.



Grant Enforcement

Non-compliance can lead to clawbacks

- All of our grants have enforcement mechanisms, including “clawback provisions”
- Clauses that stipulate that if the contractor violates certain terms of the agreement, they may be ordered to return all state money.
- We may also cancel the grant, pursue debarment, etc.

But, we want this project to succeed as much as you do!



Classification Issues & Tips



Challenges:

- Classification issues can drag on and pit natural allies against each other.
- Getting worse with modern technology (broadband, clean energy, rebar).
- Example: IBEW #196 and Aldridge Electric, Inc. v. IUOE #150, 13-CD-068444.
- And if you must, NLRB or IDOL can resolve these issues.



Tips:

- Better to talk!
- Go to local Building Trades group and hammer out a PLA.
- Set the classes or set a process to resolve them quickly.
- Example: Willard Ice Building in Springfield, IL

Final Suggestions

Broadband = High profile projects

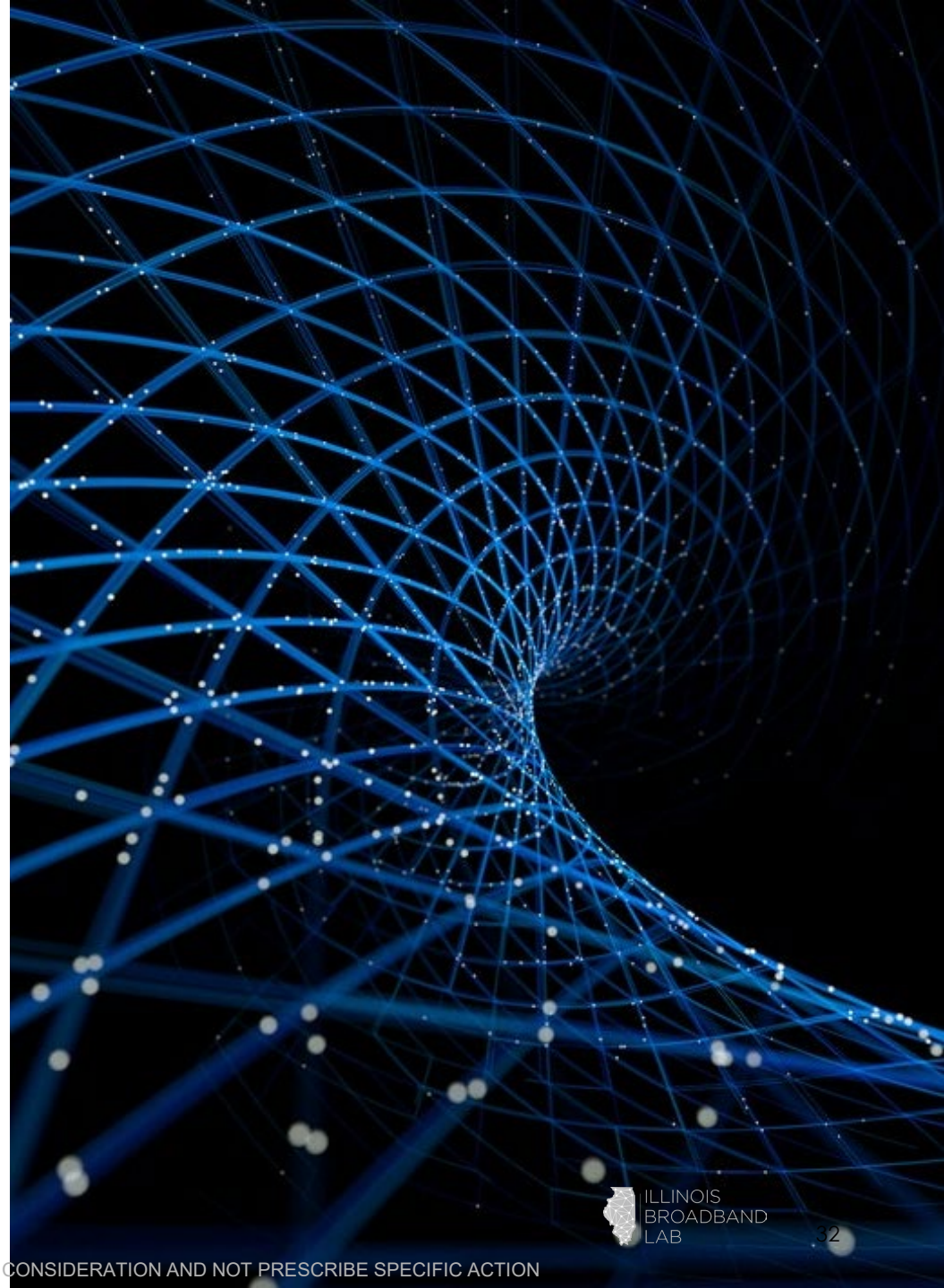
- Because these are high profile projects, expect a lot of scrutiny.
- Get comfortable with FOIA.
- Expect people to ask questions around job sites.
- Everything will be on the state databases we've covered together.
- Be open and honest! You have nothing to hide.

Don't forget Certified Payrolls

- Every contractor must file certified payrolls.
- If they don't, that's a red flag to investigators. If someone can't file the payroll, what else are they doing wrong?
- IDOL accepts many formats, but you may as well use this one: [certified-transcript-of-payroll.pdf](#) ([illinois.gov](#))

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Next Steps, Q&A



Next Steps

- Join the **BEAD Pre-qualifications Webinar** on June 17, 10-11 am → [Registration Link](#)
- **Fill out our partner form** - Receive the most up-to-date information by signing up at bit.ly/IOBPartner
- **Sign up for the Illinois Broadband Connections Newsletter** at <https://bit.ly/IOBNewsletter>
- Follow the Illinois Broadband Lab on Facebook, Instagram, and LinkedIn
- Find all resources on the **BEAD landing page**: dceo.illinois.gov/connectillinois/bead





Resources and Technical Assistance

- **Office Hours** – *Coming soon*
- **Contact** DCEO's deputy general counsel Craig Colbrook for questions about Prevailing Wage:
 - Craig.Colbrook@illinois.gov
- **Resources:**
 - IDOL Rates: [Current Prevailing Rates \(illinois.gov\)](#)
 - IDOL Certified Payroll Database: [Prevailing Wage Searchable Database - Conciliation and Mediation Division \(illinois.gov\)](#)
 - IDOL Payroll form: [certified-transcript-of-payroll.pdf \(illinois.gov\)](#)
 - Illinois Prevailing Wage Act: 820 ILCS 130.



What questions do you have?

For more information, please email us at:
broadband@illinois.gov