**Implementation of Electronic Submission of Davis-Bacon Wage Rate Certifications**

*What are we doing?*

On October 5 2015, Multifamily will publish a Mortgagee Letter and Housing Notice to HUDClips regarding the Implementation of Electronic Submission of Davis-Bacon Wage Rate Certifications. This Mortgagee Letter and Notice introduce an electronic means to submit the Davis-Bacon Prevailing Wage Payroll Certifications for federally funded and/or assisted construction projects receiving HUD grants, loans, loan guarantees and insurance.

The software and systems tool is intended to improve HUD’s Davis-Bacon oversight and compliance by enabling the Office of Labor Standards and Enforcement (OLSE) to monitor and ensure compliance with Davis-Bacon wage rates for all HUD directly-administered projects (Multifamily, Hospitals, Nursing Homes, Rental Assistance Demonstration (RAD) and Sections 202 and 811and other assisted construction) that contain $2,000 or more in HUD funding or assistance. This web-based subscription service – called the Davis Bacon Electronic Certification Submission Program (“ECSP” and /or “Davis Bacon ESCP”) will be used on all in-house contracts where staff performs the administration and enforcement of labor standards compliance.

The program will initially be implemented for new construction/substantial rehabilitation projects located in HUD regions VI (Southwest) and VII (Great Plains) that have yet to reach initial endorsement (However, all program participants are invited to begin using the electronic submission of Davis-Bacon payroll certifications for the submission of Davis-Bacon wage reports submitted to HUD beginning on the first business day following 30 days after the date of publication of the Mortgagee Letter and Housing Notice).

Use of the Davis Bacon ECSP will be mandatory for all Davis Bacon Payroll certification submissions after March 30, 2016 for all projects that are less than 50% complete as of that date.

- Is it controversial?

It should not be controversial, as most general contractors already use some sort of electronic means to prepare and track Davis Bacon wage rate reporting.

- Who benefits?

Participants include all general contractors required to use Davis-Bacon prevailing wages and participating in HUD/FHA insured multifamily programs and/or directly administered projects that contain $2,000 or more in HUD funding or assistance.

The use of the software system applies to all FHA multifamily insured construction loans; Section 542 Risk Share construction loans, any healthcare construction loans (Section 232, 242 or Title XI), and to all FHA insured Housing Authority construction loans, specifically including FHA insured construction loans made through the Rental Assistance Demonstration (RAD) program.