

# H.B. 245: The Construction Wage Standard Act

**H.B. 245 is a balanced, common-sense construction policy that supports contractors, protects workers, and respects taxpayers– without adding any bureaucratic red tape.**

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## **What H.B. 245 DOES**

### **Supports Statewide Affordability**

Protects tax dollars from funding low-quality work, rewards Utah's business owners for creating quality jobs, strengthens upward mobility and local economies, and reduces workforce reliance on social services.

### **Applies ONLY to projects over \$100,000**

Small projects and routine work are not impacted, ensuring limited burden to state agencies and local government.

### **Uses Existing Federal Wage Data**

Adopts **President Trump's Department of Labor wage surveys**. No duplicate studies means no wasted tax dollars or over burdened state agencies. Wage standards are specific to occupations and counties, ensuring determined wages are relevant to local economies. The Construction Wage Standard Act aligns state and federal procurement standards, making more Utah projects compliant with federal grant guidelines, therefore increasing administrative efficiency.

### **Simple for contractors**

- No certified payrolls
- No new reporting systems
- No additional surveys
- Payroll record retention (3 years)

### **Transparency & Clarity**

Wage standards are posted on job sites and included in bid documents.

### **Reduces Legal Conflict**

Wage disputes are handled first by the Labor Commission– saving time, money, and court resources.

## **What H.B. 245 Does NOT Do**

Does **not** add administrative burdens to local contractors, state agencies, city and town governments, or procurement officers.

Does **not** affect:

- Routine maintenance

- Repairs
- Day-to-day facility operations

Does **not** raise costs of construction.

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## **Why H.B. 245 Matters**

- ✓ Keeps workers employed in their communities
  - ✓ Supports local contractors
  - ✓ Protects taxpayers and ensures quality infrastructure
  - ✓ Strengthens workforce retention in the trades
  - ✓ Improves economic stability and upward mobility
  - ✓ Preserves affordability without raising project costs
  - ✓ Builds stronger local economies
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## **The Bottom Line**

**H.B. 245 is pro-business, pro-worker, and pro-community.**

The law delivers fair standards, economic stability, and smart governance without government red tape, added project costs and state funding, or regulatory burdens to Utah's businesses.

**The Construction Wage Standard Act (H.B. 245) is smart policy that will build strong communities. It's time Utah adopts fair construction standards.**

## **HB 245: The Construction Wage Standard Act**

*Public Perception Poll, Y<sup>2</sup> Analytics December, 2025*

The poll's highlights:

- **79%** of Utahns prioritize publicly funded construction projects to the contractor with the highest quality of work over the lowest cost bid. Utah won't have to make this choice, however, as research proves area wage standards do not create increased construction costs<sup>1</sup>.
- **78%** believe Utah's public dollars should prioritize funding work that allows workers to support themselves, and **54%** believe policies should discourage employer reliance on state-sponsored services to supplement wage and benefits. This is important— Utah's construction wages lag behind our neighbors even when adjusted for inflation<sup>2</sup>.
- **72%** believe policies in Utah should incentivise the use of local contractors to complete public construction projects. Utah voters want to keep our workers and public funding in the state, a proven benefit of area wage standards<sup>3</sup>.
- **Almost 70%** believe that public procurement should prioritize contractors with a history of safe projects over the lowest cost contractor.
- **67%** believe that the government's role is to support local workers.

The poll conducted by Y2 Analytics found that over 60% of Utah voters support area wage standards before receiving any information on the policy. After learning more, that number jumps to 74%. With a majority of voters who took the poll selecting cost of living, housing, and government spending as the top three issues facing Utah's construction industry, the Utah legislature should take proactive action to improve conditions for the market and Utah's workers. The poll asked a variety of questions about Utah's public construction process, including how the state should select the contractors performing public work.

Poll respondents represent Utah voters across ideologies, with 18% self-identifying as very conservative, 23% as somewhat conservative, 32% moderate, 17% somewhat liberal, and 10% very liberal. House Districts 53, 60, 63 and 64 were oversampled, representing 227 out of the 1,035 respondents asked to complete the poll.

Utah spends approximately \$4 billion each year on transportation and infrastructure<sup>4</sup>. A majority of those polled believe that policies governing the use of public funds should create good, high-quality, local jobs; invest in the quality and longevity of public projects; and prioritize fair compensation over choosing the lowest bidder. When area standard wages are required on public projects, projects are on-time<sup>5</sup>, boost the local economy<sup>6</sup>, and boost enrollment in high-quality workforce training programs<sup>7</sup>. With strong support from Utah's voters, the Legislature has an opportunity to move constituent priorities this legislative session by enacting an area wage standard requirement for public projects.

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<sup>1</sup>Kevin Duncan, What the Research Tells Us About the Costs and Benefits of Prevailing Wage Laws, (submitted to the Montana State Legislature, November 2021), accessed November 12, 2025,

[https://archive.legmt.gov/content/Committees/Interim/2021-2022/Local-Gov/21\\_Nov/DuncanReport\\_MontanaPrevailingWageStudy2021.pdf](https://archive.legmt.gov/content/Committees/Interim/2021-2022/Local-Gov/21_Nov/DuncanReport_MontanaPrevailingWageStudy2021.pdf)

<sup>2</sup>Jonathan Jones, Construction Jobs With the Fastest-Growing Wages (Construction Coverage, October 23rd, 2025) accessed November 17, 2025, <https://constructioncoverage.com/research/construction-jobs-with-the-fastest-growing-wages>

<sup>3</sup>Frank Manzo IV, *Weakening Prevailing Wage Hurts Local Contractors and Workers: A Case Study from Southern Indiana* (Midwest Economic Policy Institute, June 2016), accessed November 8, 2024, <https://faircontracting.org/wp-content/uploads/2016/08/ilepi-economic-commentary-southern-in-case-study1.pdf>.

<sup>4</sup>Compendium of Budget Information, State of Utah, 2025, <https://cobi.utah.gov/2025/1/overview>

<sup>5</sup>Kevin Duncan, November 2021.

<sup>6</sup>Frank Manzo IV, June 2016.

<sup>7</sup>Philips, Peter. 2006. Construction: The Effect of Prevailing Wage Regulations on the Construction Industry in Iowa. Working Paper, Economics Department, University of Utah. <https://faircontracting.org/wp-content/uploads/2022/03/51-The-effect-of-PW-Regs-in-Iowa.pdf>

**Area Wage Standard Determination Comparison (Heavy Construction)**

Select Counties in Utah, Effective: January 2, 2026

Source: SAM.gov Area Wage Determinations (Utah)

Occupation	Cache County	Salt Lake County	Box Elder County	Weber County	Beaver, Emery, Grand, Kane, Piute and Wayne Counties, non-pipeline
<b>Operating Engineer:</b> <i>Backhoe, Excavator, Tractor</i>	\$24.67 + \$5.17	\$23.40 + \$16.96	\$24.61 + \$5.17	\$24.00 + \$4.22	\$30.78 + \$16.09
<b>Carpenter:</b> <i>Form / Heavy</i>	— *	\$24.61 + \$8.45	— *	— *	\$14.75 + \$3.03
<b>Electrician</b>	\$41.23 + 1.3% + \$17.12	\$41.23 + 1.3% + \$17.12	\$41.23 + 1.3% + \$17.12	\$41.23 + 1.3% + \$17.12	— *
<b>Laborer:</b> <i>Common</i>	\$19.83 + \$3.29	\$18.33 + \$6.70	\$20.39 + \$3.29	\$20.39 + \$3.29	\$10.92 + \$0.00

\*\*Per the United States Department of Labor, unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (iii)).

**Area Wage Standard Determination Comparison (Building Construction)**

Select Counties in Utah, Effective: January 2, 2026

Source: SAM.gov Area Wage Determinations (Utah)

Occupation	Cache County	Salt Lake County	Box Elder County	Weber County	Emery County	Kane, Millard, Sevier, and Wayne Counties
<b>Operating Engineer:</b> <i>Backhoe, Excavator, Tractor</i>	\$16.92 + \$0.00	\$14.48 + \$0.00	\$16.92 + \$0.00	\$16.92 + \$0.00	\$16.59 + \$0.79	\$16.59 + \$0.79
<b>Carpenter</b>	\$20.70 + \$5.62	\$20.66 + \$7.47	\$20.68 + \$5.49	\$20.68 + \$5.49	\$19.51 + \$4.71	\$19.51 + \$4.71
<b>Electrician</b>	\$41.23 + \$17.12	\$41.23 + \$17.12	\$41.23 + \$17.12	\$41.23 + \$17.12	\$41.23 + \$17.12	\$41.23 + \$17.12
<b>Laborer: Common</b>	\$12.69 + \$0.00	\$13.84 + \$0.00	\$13.40 + \$1.48	\$12.78 + \$0.00	\$10.63 + \$0.00	\$10.63 + \$0.00
<b>Plumber / Pipefitter</b>	\$46.10 + \$15.83	\$46.10 + \$15.83	\$46.10 + \$15.83	\$46.10 + \$15.83	\$24.00 + \$4.62	\$24.00 + \$4.62