



State of Vermont
Department of Labor
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Capital Construction Act
Fringe Benefit Requirement
effective July 1, 2016

The Capital Construction Act, 29 V.S.A. Section 161(b), currently requires workers be paid a mean (average) prevailing wage. In 2015, the Vermont legislature passed H.492 (Act 26) which adds a fringe benefit requirement to, and expands the projects covered by, prevailing wage requirements.

“Fringe benefits” means benefits, including paid vacations and holidays, sick leave, employer contributions and reimbursements to health insurance and retirement benefits, and similar benefits that are incidents of employment.

Starting July 1, 2016:

For State construction projects with a cost exceeding \$100,000.00 and which is authorized or funded in whole or in part by a capital construction act pursuant to 32 V.S.A. § 701a shall provide that all construction employees working on the project shall be paid no less than the mean prevailing wage published periodically by the Vermont Department of Labor in its occupational employment and wage survey **plus an additional fringe benefit of 42 and one-half percent of wage**, as calculated by the current Vermont prevailing wage survey.

Starting July 1, 2017:

For State construction projects with a cost exceeding \$100,000.00 or **construction projects with a cost exceeding \$200,000.00** which is authorized **and is at least 50 percent funded** by a capital construction act pursuant to 32 V.S.A. § 701a shall provide that all construction employees working on the project shall be paid no less than the mean prevailing wage published periodically by the Vermont Department of Labor in its occupational employment and wage survey **plus an additional fringe benefit of 42 and one-half percent of wage**, as calculated by the current Vermont prevailing wage survey.

To read the bill, go to <http://legislature.vermont.gov/bill/status/2016/H.492> and select [As Enacted](#) or [Act Summary](#). For more information or questions contact Vermont Department of Buildings and General Services at (802) 828-2211, bgs.vermont.gov or Vermont Department of Labor at (802) 828-4301.

