

## Labor Compliance Policy Bulletin

## LCPB 25-1 LCPtracker Reporting Requirements for Ready-mixed Concrete

References: California Labor Code

Effective Date: May 15, 2025

Section 1720 et seq

California Code of Regulations

Title 8, Section 16432, "Investigation Methods for Labor Compliance Program—Definitions and Minimum Requirements, Including Review, Confirmation and Audits of Payroll Records; On-Site Visits; and Early Resolution of Audits"

Approved:

RAMON HOPKINS, Chief Division of Construction

Approval Date: May 13, 2025

## **New Procedure**

To achieve statewide consistency in contractor reporting requirements, Labor Compliance staff must all adhere to the same policy under California Labor Code, Section 1720.9 regarding the hauling and delivery of ready-mixed concrete.

All contracts using LCPtracker for the submission of weekly certified payroll records (CPR) must be set up according to LCPtracker's existing process for contractors that haul and deliver ready-mixed concrete. Stepby-step instructions, titled "AB 219," can be found by clicking on the "Support" button in LCPtracker. If a contractor that hauls and delivers ready-mixed concrete has a batch plant or factory that is located in a different county from the job site county, both counties must be made available within LCPtracker so that these contractors may select the appropriate county when submitting CPRs. Workarounds of any type should not be used.

## Background

The California Department of Transportation (Caltrans) has a Department of Industrial Relations approved Labor Compliance Program according to California Labor Code, Section 1771.5. The associated responsibilities include "prevailing wage monitoring and enforcement activities," which include the collection and review of CPRs.

For construction contracts, Caltrans has adopted the program LCPtracker for the submission of CPRs. Contractors complete and submit their CPRs to Caltrans through LCPtracker. When creating a contract in LCPtracker, Caltrans staff enter the county, or counties, from which the prevailing wage rates are applicable. LCPB 25-1 May 15, 2025 Page 2 of 2

Under both state and federal regulations, until June 30, 2016, all payment of wages was based on the geographical location(s) of the project. Effective July 1, 2016, California Assembly Bill 219, added the requirement of prevailing wages to Labor Code 1720.9 for the hauling and delivery of ready-mixed concrete. The payment of prevailing wages for hauling and delivery of ready-mixed concrete dictates that the prevailing wage rates required are based on the location of the batch plant or factory.

While LCPtracker has a process in place, it has not been applied consistently. This has led to confusion by contractors about requirements, resulting in withholding of payments and disputes on payroll submission requirements. Contractors and subcontractors are responsible for reporting weekly CPRs based on the state and federal regulations. Under the state regulation, the work performed must be paid based on the batch plant or factory location. Caltrans must include the appropriate county in LCPtracker when there is work performed under Labor Code 1720.9. If you have any questions or comments regarding this bulletin, please contact Tishawna Thrower, Labor Compliance Branch Chief, at <u>Tishawna.Thrower@dot.ca.gov</u> or (916) 599-8262.