

N E W S L I N E

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Public Works Small Project Exemption Clarified: Based on the Amount of the Entire Project, Prevailing Wages Must Still be Paid

Oakland—The Department of Industrial Relations (DIR) is clarifying a [newsline posted on Wednesday](#) on small project exemption from public works contractor registration.

Small project exemption means that contractors who work exclusively on small projects are not required to register as public works contractors or file electronic certified payroll reports for those projects.

However, prevailing wages must still be paid on projects with small project exemption. Contractors are still required to maintain certified payroll records on a continuous basis, and provide those records to the Labor Commissioner's Office upon request.

Small project exemption is applied based on the amount of the entire project, not a contractor's subcontracted amount of the project. Small project exemption applies for all public works projects that do not exceed:

- \$25,000 for new construction, alteration, installation, demolition or repair
- \$15,000 for maintenance

DIR has extensive information regarding public works requirements on its [Public Works website](#), including instructions for [contractors on how to register](#). Inquiries related to public works can be sent to publicworks@dir.ca.gov.

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The [California Department of Industrial Relations](#), established in 1927, protects and improves the health, safety, and economic well-being of over 18 million wage earners, and helps their employers comply with state labor laws. DIR is housed within the [Labor & Workforce Development Agency](#). For general inquiries, contact DIR's Communications Call Center at 844-LABOR-DIR (844-522-6734) for help in locating the appropriate [division or program](#) in our department.