

**Subject** Prevailing Wage Requirements

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## Summary

This bill expands prevailing wage requirements to other types of financial assistance and projects. Section 1 modifies the definition of “financial assistance” in section 116J.871 to apply prevailing wage requirements to all tax increment financing (TIF) development projects that are for (1) a multifamily housing development of 25 or more units, or (2) any development receiving \$100,000 or more in TIF assistance. Also expands prevailing wage requirements to low-income housing credit allocations used for multifamily housing projects of more than 10 units, as defined in section 462A.222. Effective for financial assistance provided after August 1, 2024.

Section 2 modifies the definition of “project” in section 177.42 to expand prevailing wage requirements to projects that alter, improve, or restore structures, land, facilities, public buildings or public works, which also includes work that is intended to be, or may be, used by the public or for the public benefit, provided that (1) the project is financed in whole or part by state funds, or (2) the project is owned by a city, county, or school district that uses materials or equipment that qualifies for a construction exemption from sales and use tax under chapter 297A or special law.