

CLIENT NEWS BRIEF

The Department of Industrial Relations Suspends Electronic Submission of Certified Payroll Records by Contractors

The Department of Industrial Relations (DIR) recently announced that it has temporarily suspended enforcement of its requirement that contractors submit their certified payroll records (CPR) electronically. This electronic system ("eCPR" system) was intended to take the place of contractors submitting paper copies of their records, but the eCPR system is not working as expected. Even though the DIR has suspended the eCPR system for the time being, contractors are still required by Labor Code section 1771.4 to submit their CPR to DIR at least monthly. As a result, questions have been raised as to where and how contractors are to file their CPR.

The CPR submittal requirement is part of Senate Bill 854 (SB 854) which introduced this requirement so that the DIR could monitor whether prevailing wages are being paid on public works projects. SB 854 also added the contractor registration requirements and related provisions as described in an earlier Lozano Smith news brief (see [Client News Brief No. 43, July 2014](#)). The Labor Commissioner announced last year that contractors would have to submit their CPR to the DIR through the eCPR system.

Although DIR has suspended the eCPR system, it has not provided guidance as to how contractors should submit their CPR to the DIR in the meantime. Nothing in the language of SB 854 or recent DIR notices requires public agencies to accept the CPR from contractors as a substitute for the eCPR system. Instead, contractors remain obligated to maintain CPR and to provide them upon request, as provided in Labor Code section 1776. The DIR reports that the eCPR upgrades should be completed by June 2016. Hopefully, the eCPR system will be back in operation in time for the peak of the summer construction season.

If you have any questions about these CPR issues or other items related to upcoming construction projects, please contact one of our [nine offices](#) located statewide. You can also visit our [website](#), follow us on [Facebook](#) or [Twitter](#), or download our [Client News Brief App](#).

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