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1 **HOUSE BILL NO. 260**

2 Offered January 14, 2026

3 Prefiled January 9, 2026

4 A BILL to amend the Code of Virginia by adding in Chapter 3 of Title 40.1 an article numbered 1.2,  
5 consisting of sections numbered 40.1-28.13 through 40.1-28.16, relating to prevailing wage rate;  
6 underground infrastructure work; public service companies.  
7

8 Patron—Simonds

9 Committee Referral Pending  
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11 Be it enacted by the General Assembly of Virginia:

12 1. That the Code of Virginia is amended by adding in Chapter 3 of Title 40.1 an article numbered 1.2,  
13 consisting of sections numbered 40.1-28.13 through 40.1-28.16, as follows:

## 14 Article 1.2.

15 *Prevailing Wage for Underground Infrastructure Work.*16 § 40.1-28.13. *Definitions.*

17 As used in this article, unless the context requires a different meaning:

18 "Prevailing wage rate" means the rate, amount, or level of wages, salaries, benefits, and other  
19 remuneration prevailing for the corresponding class of mechanics, laborers, or workers employed for the  
20 same work in the same trade or occupation in the locality where the facility or immovable property that is the  
21 subject of underground infrastructure work is located, as determined by the Commissioner on the basis of  
22 applicable prevailing wage rate determinations made by the U.S. Secretary of Labor under the provisions of  
23 the Davis-Bacon Act, 40 U.S.C. § 276 et seq., as amended.24 "Public service company" means the same as that term is defined in § 56-1, except that "public service  
25 company" does not include any communications service provider, as defined in § 58.1-647, or any utility  
26 formed under or subject to the Utility Consumer Services Cooperatives Act (§ 56-231.15 et seq.) and subject  
27 to regulation as to rates and service by the Commission.28 "Underground infrastructure work" means any construction, reconstruction, demolition, alteration, or  
29 repair work, other than maintenance work, related to an underground system of distribution, conveyance,  
30 transmission, diversion, collection, treatment, or storage that is owned, used, or maintained by a public  
31 service company.32 § 40.1-28.14. *Prevailing wage rate for underground infrastructure work.*33 A. Each public service company, when procuring services or letting contracts for underground  
34 infrastructure work, or when overseeing or administering such contracts for underground infrastructure  
35 work, shall ensure that its bid specifications or other contracts applicable to underground infrastructure  
36 work require bidders, offerors, contractors, and subcontractors to pay wages, salaries, benefits, and other  
37 remuneration to any mechanic, laborer, or worker employed, retained, or otherwise hired to perform services  
38 in connection with the contract for underground infrastructure work at the prevailing wage rate. Each  
39 contract for underground infrastructure work by a public service company shall contain a provision  
40 requiring that the remuneration to any individual performing the work of any mechanic, laborer, or worker  
41 on the work contracted to be done shall be at a rate equal to the prevailing wage rate. The Department shall  
42 determine and make available the prevailing wage rate for underground infrastructure work no later than  
43 December 1, 2026.44 B. A public service company subject to the requirements of this article shall, prior to entering into or  
45 modifying a contract for underground infrastructure work, request and obtain the prevailing minimum wage  
46 and benefit rates for highway and road construction determined by the Commissioner and make them  
47 available to the public service company's contractors. A contractor or subcontractor who performs  
48 underground infrastructure work shall pay not less than the prevailing minimum wage and fringe benefit  
49 rates for highway and road construction determined by the Commissioner to every worker in every trade or  
50 craft employed on an underground infrastructure work project.51 C. Contractors and subcontractors performing underground infrastructure work shall post the general  
52 prevailing wage rate for highway and road construction involved, as determined by the Commissioner,  
53 including the effective date of any changes thereof, in a prominent and easily accessible place at the work site  
54 or any such place used by the contractor or subcontractor to pay workers their wages. A contractor or  
55 subcontractor of a public service company shall, for each craft or trade employed on the project, (i) specify  
56 the total hourly amount to be paid to employees, including wages and applicable fringe benefits; (ii) provide  
57 an itemization of the amount paid in wages and each applicable benefit; and (iii) list the names and  
58 addresses of any third-party fund, plan, or program to which benefit payments will be made on behalf of

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59      *employees.*

60      **§ 40.1-28.15. Recordkeeping required.**

61      *Each contractor or subcontractor subject to the provisions of this article shall keep, maintain, and*  
62 *preserve (i) records relating to the wages paid to and hours worked by each individual performing the work*  
63 *of any mechanic, laborer, or worker and (ii) a schedule of the occupation or work classification at which*  
64 *each individual performing the work of any mechanic, laborer, or worker on the underground infrastructure*  
65 *work project is employed during each work day and week. The contractor or subcontractor shall preserve*  
66 *these records for a minimum of six years and make such records available to the Department within 10 days*  
67 *of a request and shall certify that records reflect the actual hours worked and the amount paid to its workers*  
68 *for whatever time period the Department requests.*

69      **§ 40.1-28.16. Application of article.**

70      *A. The provisions of this article shall not apply to any contract for underground infrastructure work of*  
71 *\$250,000 or less.*

72      *B. The provisions of this article shall apply to underground infrastructure work by a public service*  
73 *company that is performed under a contract that is entered into, amended, or modified on or after July 1,*  
74 *2027.*