## [Second Reprint]

# **ASSEMBLY, No. 1474**

# STATE OF NEW JERSEY

### 220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

#### Sponsored by:

Assemblywoman YVONNE LOPEZ

**District 19 (Middlesex)** 

Assemblyman JOE DANIELSEN

**District 17 (Middlesex and Somerset)** 

Assemblywoman LINDA S. CARTER

**District 22 (Middlesex, Somerset and Union)** 

Senator JOSEPH P. CRYAN

District 20 (Union)

Senator JOSEPH F. VITALE

**District 19 (Middlesex)** 

#### **Co-Sponsored by:**

Assemblywoman Chaparro, Assemblyman Atkins, Assemblywomen Jasey, Reynolds-Jackson, Jaffer, Sumter, Assemblyman Wimberly, Assemblywomen McKnight, Speight, Senators Ruiz and Cruz-Perez

#### **SYNOPSIS**

Provides certain protections and rights for temporary laborers.

#### **CURRENT VERSION OF TEXT**

As amended on September 22, 2022 by the General Assembly pursuant to the Governor's recommendations.

(Sponsorship Updated As Of: 1/10/2023)

1 AN ACT concerning employment and protection of temporary 2 laborers, supplementing Title 34 of the Revised Statutes, and 3 amending P.L.1989, c.331.

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**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

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- 1. (New section) The Legislature finds and declares:
- a. At least 127,000 individuals work for temporary help service firms, sometimes referred to as temp agencies or staffing agencies, in New Jersey. Approximately 100 temporary help service firms with several branch offices are licensed throughout the State. Moreover, there are a large, though unknown, number of unlicensed temporary help service firms that operate outside the purview of law enforcement.
  - b. Recent national data indicate that the share of Black and Latino temporary and staffing workers far outstrips their proportion of the workforce in general. In addition to a heavy concentration in service occupations, temporary laborers are heavily concentrated in the production, transportation, and material moving occupations and manufacturing industries. Further, full-time temporary help service firm workers earn 41 percent less than workers in traditional work arrangements, and these workers are far less likely than other workers to receive employer-sponsored retirement and health benefits.
  - c. Recent studies and a survey of low-wage temporary laborers themselves find that, generally, these workers are particularly vulnerable to abuse of their labor rights, including unpaid wages, failure to pay for all hours worked, minimum wage and overtime violations, unsafe working conditions, unlawful deductions from pay for meals, transportation, equipment, and other items, as well as discriminatory practices.
  - d. This act is intended to further protect the labor and employment rights of these workers.

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- 2. (New section) As used in P.L. , c. (C. ) (pending before the Legislature as this bill):
- "Commissioner" means Commissioner of Labor and WorkforceDevelopment, or a designee of the commissioner.
- 40 1"Director" means Director of the Division of Consumer Affairs
  41 in the Department of Law and Public Safety 2, or a designee of the
  42 Director<sup>2</sup>.1
- "Employ" means to suffer or permit to work for compensation, including by means of ongoing, contractual relationships in which

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>&</sup>lt;sup>1</sup>Assembly floor amendments adopted June 16, 2022.

<sup>&</sup>lt;sup>2</sup>Assembly amendments adopted in accordance with Governor's recommendations September 22, 2022.

1 the employer retains substantial direct or indirect control over the 2 employee's employment opportunities or terms and conditions of 3 employment.

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"Employer" means any person or corporation, partnership, individual proprietorship, joint venture, firm, company, or other similar legal entity who engages the services of an employee and who pays the employee's wages, salary, or other compensation, or any person acting directly or indirectly in the interest of an employer in relation to an employee.

9 10 "Hours worked" means all of the time that the employee is 11 required to be at the employee's place of work or on duty. Nothing 12 (C. ) (pending before the Legislature as this 13 bill) requires an employer to pay an employee for hours the 14 employee is not required to be at the employee's place of work 15 because of holidays, vacation, lunch hours, illness, and similar <sup>2</sup>"Designated classification placement" means an 16 assignment of a temporary laborer by a temporary help service firm 17 18 to perform work in any of the following occupational categories as 19 designated by the Bureau of Labor Statistics of the United States Department of Labor: 33-90000 Other Protective Service Workers; 20 21 35-0000 Food Preparation and Serving Related Occupations; 37-22 0000 Building and Grounds Cleaning and Maintenance 23 Occupations; 39-0000 Personal Care and Service Occupations; 47-24 2060 Construction Laborers; 47-30000 Helpers, Construction 25 Trades; 49-0000 Installation, Maintenance, and Repair Occupations; 51-0000 Production Occupations; 53-0000 Transportation and 26 27 Material Moving Occupations; or any successor categories as the

Bureau of Labor Statistics may designate.<sup>2</sup> "Person" means any natural person or their legal representative, partnership, corporation, company, trust, business entity, or association, and any agent, employee, salesman, partner, officer, director, member, stockholder, associate, trustee, or beneficiary of a trust thereof.

"Temporary laborer" means a person who contracts for employment <sup>2</sup>in a designated classification placement <sup>2</sup> with a temporary help service firm. <sup>1</sup>Temporary laborer does not include agricultural crew leaders who are registered under the federal Migrant and Seasonal Agricultural Worker Protection Act, 29 U.S.C. s.1801 et seq., P.L.1971, c.192 (C.34:8A-7 et seq.), or

P.L.1945, c.71 (C.34:9A-1 et seq.).<sup>1</sup> 40

> <sup>2</sup>["Temporary labor applicant" means a person who requests a job assignment through a temporary help service firm, whether in the presence of the firm, in writing, or through an online application

45 "Temporary labor" means work performed by a temporary 46 laborer at the business of, or for, a third party client of a temporary help service firm, the duration of which may be specific or 47

undefined, pursuant to a contract or understanding between the temporary help service firm and the third party client. <sup>1</sup>Temporary labor does not include labor or employment of a professional employee, as defined in 29 U.S.C. s.152; or to employees who are secretaries or administrative assistants whose main or primary duties are described by the bureau of labor statistics of the United States Department of Labor as involving one or more of the following: drafting or revising correspondence, scheduling appointments, creating, organizing, and maintaining paper and electronic files, and providing information to callers or visitors. <sup>1</sup>]<sup>2</sup> 

"Temporary help service firm" means any person or entity who operates a business which consists of employing individuals directly or indirectly for the purpose of assigning the employed individuals to assist the firm's customers in the handling of the customers' temporary, excess or special work loads, and who, in addition to the payment of wages or salaries to the employed individuals, pays federal social security taxes and State and federal unemployment insurance; carries workers' compensation insurance as required by State law; and sustains responsibility for the actions of the employed individuals while they render services to the firm's customers. A temporary help service firm is required to comply with the provisions of P.L.1960, c. 39 (C.56:8-1 et seq.).

"Third party client" means any person who contracts with a temporary help service firm for obtaining temporary laborers <sup>2</sup> in a designated classification placement <sup>2</sup>. <sup>1</sup>Third party client does not include the State or any office, department, division, bureau, board, commission, agency, or political subdivision thereof that utilize the services of temporary help service firms. <sup>1</sup>

- 3. (New section) a. Whenever a temporary help service firm agrees to send a person to work as a temporary laborer <sup>2</sup><u>in a designated classification placement</u><sup>2</sup>, the temporary help service firm shall provide the temporary laborer, at the time of dispatch, a statement, in writing in English and in the language identified by the employee as the employee's primary language, containing the following items on a form approved by the commissioner <sup>1</sup>, in a manner appropriate to whether the assignment is accepted at the temporary help service firm's office, or remotely by telephone, text, email, or other electronic exchange <sup>1</sup>:
- (1) the name of the temporary laborer;
  - (2) the name, address, and telephone number of:
- 42 (a) the temporary help service firm, or the contact information 43 of the firm's agent facilitating the placement;
  - (b) its workers' compensation carrier;
  - (c) the worksite employer or third party client; and
- 46 (d) the Department of Labor and Workforce Development;
- 47 (3) the name and nature of the work to be performed;

(4) the wages offered;

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- (5) the name and address of the assigned worksite of each temporary laborer;
- (6) the terms of transportation offered to the temporary laborer<sup>2</sup>, if applicable<sup>2</sup>;
- (7) a description of the position and whether it shall require any special clothing, protective equipment, and training, and what training and clothing will be provided by the temporary help service firm or the third party client; and any licenses and any costs charged to the employee for supplies or training;
- (8) whether a meal or equipment, or both, are provided, either by the temporary help service firm or the third party client, and the cost of the meal and equipment, if any;
  - (9) for multi-day assignments, the schedule;
  - (10) the length of the assignment <sup>1</sup>, if known <sup>1</sup>; and
- (11) the amount of sick leave to which temporary workers are entitled under P.L.2018, c.10 (C.34:11D-1 et seq.), and the terms of its use.

In the event of a change in the schedule, shift, or location of an assignment for a multi-day assignment of a temporary laborer <sup>2</sup>in a designated classification placement<sup>2</sup>, the temporary help service firm shall provide <sup>1</sup>[written] <sup>1</sup> notice of the change not less than 48 hours in advance to the temporary laborer, when possible 1, in a manner appropriate to whether the assignment is accepted at the temporary help service firm's office, or remotely by telephone, text, email, or other electronic exchange<sup>1</sup>. The temporary help service firm shall bear the burden of showing that it was not possible to <sup>2</sup>[1If a dispute arises concerning provide the required notice. whether it was possible for a temporary help service firm to provide the required notice, an aggrieved party shall make an application to the commissioner, in a manner and form prescribed by the commissioner, for a determination on the matter. <sup>1</sup> In the event that the commissioner imposes a civil penalty under subsection d. of this section and the temporary help service firm requests a hearing to challenge the penalty, any dispute concerning whether it was possible for the temporary help service firm to provide the required notice shall be adjudicated during that hearing.<sup>2</sup>

If a temporary laborer <sup>2</sup>in a designated classification placement <sup>2</sup> is assigned to the same assignment for more than one day, the temporary help service firm shall be required to provide the employment notice only on the first day of the assignment and on any day that any of the terms listed on the employment notice are changed.

If the temporary laborer is not placed with a third party client or otherwise contracted to work for that day, the temporary help service firm shall, upon request, provide the temporary laborer with a confirmation that the temporary laborer sought work, signed by an employee of the temporary help service firm, which shall include the name of the firm, the name and address of the temporary laborer, and the date and the time that the temporary laborer receives the confirmation.

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- b. No temporary help service firm shall send any temporary laborer to any <sup>2</sup>[place] designated classification placement<sup>2</sup> where a strike, a lockout, or other labor dispute exists without providing, at the time of dispatch, a statement, in writing, informing the temporary laborer of the labor dispute, and the laborer's right to refuse the assignment.
- c. <sup>2</sup>[The commissioner shall require temporary] <u>Temporary</u><sup>2</sup> help service firms <sup>2</sup>[to employ] that make designated classification placements shall make available, whether through its own employees or the service of a vendor, <sup>2</sup> personnel <sup>2</sup>[who can] to <sup>2</sup> effectively communicate the information required in subsections a. and b. of this section to temporary laborers in Spanish or in any other language that is generally understood in the locale of the temporary help service firm.
- d. Any temporary help service firm <sup>2</sup>that makes designated classification placements and <sup>2</sup> that violates this section shall be subject to a civil penalty of not less than \$500 and not to exceed \$1,000 for each violation found by the commissioner. That penalty shall be collected by the commissioner in a summary proceeding in accordance with the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).
- e. The commissioner<sup>2</sup>, in consultation with the Office of the 26 New Americans within the Department of Human Services,<sup>2</sup> shall 27 develop and implement a multilingual outreach program to inform 28 temporary laborers <sup>2</sup>in a designated classification placement <sup>2</sup> about 29 their rights pursuant to P.L. , c. (C. 30 ) (pending before the Legislature as this bill). The program shall <sup>2</sup>develop written 31 materials in various languages based on the 10 most prevalent 32 33 language access needs in the State, and may periodically reevaluate the language access needs and adjust translation efforts accordingly. 34 The program shall<sup>2</sup> include the distribution of written materials <sup>2</sup>[in 35 English, Spanish and any other language that is the primary 36 37 language of 10 percent or more of the registered voters in the State to community-based organizations and worker centers 1 to 38 qualifying organizations<sup>2</sup> who work with temporary workers <sup>2</sup>in a 39 designated classification placement<sup>2</sup>, and <sup>2</sup>shall engage in<sup>2</sup> regular 40 outreach to these organizations to determine how the commissioner 41 42 can better inform temporary laborers of their rights. <sup>2</sup>For purposes of this subsection, qualifying organizations are organizations that 43 44 have a minimum of five years of experience working with temporary laborers or hiring entities, and organizations that work 45

with nonprofit organizations that have a minimum of five years of experience working with temporary laborers or hiring entities.<sup>2</sup>

- 4. (New Section) a. Whenever a temporary help service firm sends one or more persons to work as temporary laborers <sup>2</sup><u>in</u> designated classification placements<sup>2</sup>, the temporary help service firm shall keep the following records relating to that transaction:
- (1) the name, address, and telephone number of the third party client, including each worksite, to which temporary laborers were sent by the temporary help service firm and the date of the transaction;
- (2) for each temporary laborer: the name and address, the specific location sent to work, the type of work performed, the number of hours worked, the hourly rate of pay, and the date sent. The third party client shall be required to remit all information required under this paragraph to the temporary help service firm no later than seven days following the last day of the work week worked by the temporary laborer;
- (3) the name and title of the individual or individuals at each third party client's place of business responsible for the transaction;
- (4) any specific qualifications or attributes of a temporary laborer, requested by each third party client;
- (5) copies of all contracts, if any, with the third party client and copies of all invoices for the third party client;
- (6) copies of all employment notices provided in accordance with subsection a. of section 3 of P.L. , c. (C. ) (pending before the Legislature as this bill);
- (7) the amounts of any deductions to be made from each temporary laborer's compensation by either the third party client or by the temporary help service firm for the temporary laborer's food, equipment, withheld income tax, <sup>2</sup>withheld contributions to the state unemployment compensation trust fund and the state disability benefits trust fund<sup>2</sup> withheld Social Security deductions, and every other deduction;
- (8) verification of the actual cost of any equipment or meal charged to a temporary laborer; <sup>1</sup>and <sup>1</sup>
- (9) <sup>1</sup> [the race, ethnicity, and gender of each temporary laborer or applicant, as provided by that laborer or applicant, who requests employment with, or is contracted by, the temporary help service firm. For each applicant, the temporary help service firm shall provide the applicant with and retain a copy of a written notice specifying the date, time, and location at which the applicant requested employment, signed by an employee of the temporary help service firm; and
- (10) any additional information required by the commissioner.
- b. The temporary help service firm shall maintain all records under this section for a period of six years from their creation. The

records shall be open to inspection by the commissioner during normal business hours. Records described in paragraphs (1), (2), (3), (6), (7), and (8) of subsection a. of this section shall be available for review <sup>2</sup>[or] and <sup>2</sup> copying by that temporary laborer <sup>2</sup>at no cost<sup>2</sup> or an authorized representative of the temporary laborer during normal business hours within five days following a written <sup>2</sup>For purposes of this subsection, an authorized representative of the temporary laborer is a person as to whom the temporary laborer has presented to the temporary help service firm an authorization signed by the temporary laborer that expressly permits the person to review and copy the subject records.<sup>2</sup> 

 In addition, a temporary help service firm <sup>2</sup>that makes designated classification placements<sup>2</sup> shall make records related to the number of hours billed to a third party client for that individual temporary laborer's hours of work available for review or copying <sup>2</sup>, at no cost,<sup>2</sup> during normal business hours within five days following a written request. The temporary help service firm shall make forms, in duplicate, for those requests available <sup>2</sup>at no cost<sup>2</sup> to temporary laborers at the dispatch office. The temporary laborer shall be given a copy of the request form. It shall be a violation of this section to make any false, inaccurate, or incomplete entry into, or to delete required information from, any record required by this section.

- c. (1) Failure by the third party client to maintain and remit accurate time records to the temporary help service firm as provided in paragraph (2) of subsection a. of this section shall constitute a violation by a third party client under section 11 of P.L., c. (C. ) (pending before the Legislature as this bill), unless the third party client has been precluded from submitting those time records for reasons beyond its control. A third party client that violates paragraph (2) of subsection a. of this section shall be subject to a civil penalty not to exceed \$500 for each violation found by the commissioner. The penalty shall be collected in a summary proceeding in accordance with the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).
- (2) A failure by the third party client to provide time records in accordance with subsection b. of this section shall not be a violation and shall not be the basis for a suit or other action under section 11 of P.L. , c. (C. ) (pending before the Legislature as this bill), against the temporary help service firm.
- (3) Failure of a third party client to remit any information required by this section to a temporary help service firm shall not be a defense to the temporary help service firm recordkeeping requirements of this section.

5. (New section) a. A temporary help service firm or a third party client, or a contractor or agent of either, shall charge no fee to

- a temporary laborer <sup>2</sup>in a designated classification placement <sup>2</sup> to transport a temporary laborer to or from the designated work site.
- b. A temporary help service firm shall be <sup>2</sup>[responsible] jointly and severally liable for the conduct and performance of any person who transports a temporary laborer <sup>2</sup>in a designated
- 6 <u>classification placement</u><sup>2</sup> from the firm to a work site, unless the transporter is:
  - (1) a public mass transportation system;
  - (2) a common carrier;

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- 10 (3) the temporary laborer providing his or her own 11 transportation; or
  - (4) selected exclusively by and at the sole choice of the temporary laborer for transportation in a vehicle not owned or operated by the temporary help service firm.
  - If any temporary help service firm provides transportation to a temporary laborer <sup>2</sup>in a designated classification placement<sup>2</sup> or refers a temporary laborer <sup>2</sup>in a designated classification placement<sup>2</sup> as provided in subsection <sup>2</sup>[c.] <u>d.</u><sup>2</sup> of this section, the temporary help service firm shall not allow a motor vehicle to be used for the transporting of temporary laborers if the temporary help service firm knows or should know that the motor vehicle used for the transportation of temporary laborers is unsafe or not equipped as required by P.L. , c. (C. ) (pending before the Legislature as this bill), unless the vehicle is:
    - (1) the property of a public mass transportation system;
    - (2) the property of a common carrier;
    - (3) the temporary laborer's personal vehicle; or
  - (4) a vehicle of a temporary laborer used to carpool other temporary laborers and which is selected exclusively by and at the sole choice of the temporary laborer for transportation.
- 2c. A temporary help service firm shall not require a temporary laborer in a designated classification placement to use transportation provided by the firm or by another provider of transportation services.<sup>2</sup>
  - <sup>2</sup>[c.]d.<sup>2</sup> A temporary help service firm shall not refer a temporary laborer <sup>2</sup>in a designated classification placement <sup>2</sup> to any person for transportation to a work site unless that person is:
    - (1) a public mass transportation system; or
  - (2) providing the transportation at no fee to the temporary laborer.
- Directing <sup>2</sup>[the]a<sup>2</sup> temporary laborer <sup>2</sup>in a designated description designated classification placement to accept a specific car pool as a condition of work shall be considered a referral by the temporary help service firm. Any mention or discussion of the cost of a car pool shall be considered a referral by the temporary help service firm. Informing a temporary laborer <sup>2</sup>in a designated classification placement of the

availability of a car pool driven by another temporary laborer shall 2 not be considered a referral by the temporary help service firm.

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The temporary help service firm shall obtain, and keep on file, documentation that any provider of transportation to  ${}^{2}$  [the]  $\underline{a}^{2}$ temporary laborer <sup>2</sup>in a designated classification placement <sup>2</sup> that the temporary help service firm makes referrals to or contracts with is in compliance with the requirements of subsections <sup>2</sup>[d., e., and f.] e., f., and g.<sup>2</sup> of this section. <sup>2</sup>The commissioner may randomly audit a temporary help service firm to ensure that the firm is maintaining the documentation required by this subsection.<sup>2</sup>

<sup>2</sup>[d.]e.<sup>2</sup> Any motor vehicle that is owned or operated by <sup>2</sup>[the] <u>a</u><sup>2</sup> temporary help service firm <sup>2</sup>that makes designated classification placements<sup>2</sup> or a third party client <sup>2</sup>of such a firm<sup>2</sup>, or a contractor or agent of either, or to which a temporary help service firm refers a temporary laborer <sup>2</sup>in a designated classification <sup>2</sup>, which is used for the transportation of temporary laborers <sup>2</sup>in a designated classification placement<sup>2</sup> shall comply with minimum insurance requirements set by the State of New Jersey. The driver of the vehicle shall hold a valid license to operate motor vehicles in the correct classification and shall be required to produce the license immediately upon demand by the commissioner or any other person authorized to enforce P.L., c. (C. ) (pending before the Legislature as this bill). The commissioner shall forward a violation of this subsection to the appropriate law enforcement authority or regulatory agency.

<sup>2</sup>[e.]  $\underline{f}$ . A motor vehicle that is owned or operated by the temporary help service firm <sup>2</sup>that makes designated classification placements<sup>2</sup> or a third party client <sup>2</sup>of such a firm<sup>2</sup>, or a contractor or agent of either, or to which a temporary help service firm refers a temporary laborer <sup>2</sup>in a designated classification placement<sup>2</sup>, which is used for the transportation of temporary laborers <sup>2</sup>in a designated classification placement<sup>2</sup> shall have a seat and a safety belt for each passenger. The commissioner shall forward a violation of this subsection to the appropriate law enforcement authority or regulatory agency.

<sup>2</sup>[f.] g. <sup>2</sup> Unless the temporary laborer <sup>2</sup>in a designated classification placement<sup>2</sup> requests otherwise, when a temporary laborer <sup>2</sup>in a designated classification placement <sup>2</sup> has been transported to a work site, the temporary help service firm or a third party client, or a contractor or agent of either, shall provide transportation back to the point of hire at the end of each work day.

<sup>2</sup>h. The obligations imposed by this section shall be in addition to those set forth in subsection d. of section 14 of P.L.1981, c.1 (C.56:8-1.1) and any rules or regulations promulgated thereunder.

- i. The commissioner may promulgate regulations under this
   section in accordance with the "Administrative Procedure Act,"
   P.L.1968, c.410 (C.52:14B-1 et seq.)
  - j. The commissioner may assess a penalty against a temporary help service firm that violates this section or any rules or regulations adopted pursuant to this section of up to \$5,000 for each violation, except that the penalty for a violation of the recordkeeping requirements of this section shall not exceed \$500 for each violation. Each day that a temporary help service firm fails to comply with this section shall constitute a separate offense. Any penalty assessed under this section shall be collected by the commissioner in a summary proceeding in accordance with the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).<sup>2</sup>

- 6. (New section) a. At the time of payment of wages, a temporary help service firm shall provide each temporary laborer <sup>2</sup> in a designated classification placement <sup>2</sup> with a detailed itemized statement, on the temporary laborer's paycheck stub or on a form approved by the commissioner, listing the following:
- (1) the name, address, and telephone number of each third party client at which the temporary laborer worked. If this information is provided on the temporary laborer's paycheck stub, a code for each third party client may be used so long as the required information for each coded third party client is made available to the temporary laborer;
- (2) the number of hours worked by the temporary laborer at each third party client each day during the pay period. If the temporary laborer is assigned to work at the same work site of the same third party client for multiple days in the same work week, the temporary help service firm may record a summary of hours worked at that third party client's worksite so long as the first and last day of that work week are identified as well;
- (3) the rate of payment for each hour worked, including any premium rate or bonus. Overtime pay shall be paid in accordance with the provisions of subsection b. of section 5 of P.L.1966, c.113 (C.34:11-56a4);
  - (4) the total pay period earnings;
- (5) the amount of each deduction made from the temporary laborer's compensation made <sup>2</sup>[either by the third party client or]<sup>2</sup> by the temporary help service firm, and the purpose for which each deduction was made, including for the temporary laborer's food, equipment, withheld income tax, withheld Social Security deductions, <sup>2</sup>withheld contributions to the state unemployment compensation trust fund and the state disability benefits trust fund, <sup>2</sup> and every other deduction; the current maximum amount of a placement fee which the temporary help service firm may charge to

a third party client to directly hire the temporary laborer pursuant to subsection a. of section 7 of P.L., c. (C.) (pending before the Legislature as this bill); and

(6) any additional information required by the commissioner.

For each temporary laborer <sup>2</sup>in a designated classification placement<sup>2</sup> who is contracted to work a single day, the third party client shall, at the end of the work day, provide such temporary laborer with a work verification form, approved by the commissioner, which shall contain the date, the temporary laborer's name, the work location, and the hours worked on that day. Any third party client who violates this section shall be subject to a civil penalty not to exceed \$500 for each violation found by the commissioner. The maximum civil penalty shall increase to \$2,500 for a second or subsequent violation. Each violation of paragraph 1 of this subsection for each temporary laborer and for each day the violation continues shall constitute a separate and distinct violation. That penalty shall be collected by the commissioner in a summary proceeding in accordance with the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). 

- b. <sup>2</sup>A third party client shall not withhold or divert the wages of a temporary laborer in a designated classification placement for any reason. Except as otherwise authorized pursuant to this section, a temporary help service firm shall not withhold or divert the wages of a temporary laborer in a designated classification placement for any reason. A temporary help service firm shall provide each temporary laborer <sup>2</sup>with <sup>2</sup> an annual earnings summary within a reasonable time after the preceding calendar year, but in no case later than February 1 of each year. A temporary help service firm shall, at the time of each wage payment, give notice to temporary laborers <sup>2</sup>in a designated classification placement <sup>2</sup> of the availability of the annual earnings summary or post such a notice in a conspicuous place in the public reception area.
- c. At the request of a temporary laborer <sup>2</sup><u>in a designated</u> classification placement<sup>2</sup>, a temporary help service firm shall hold the daily wages of the temporary laborer and make <sup>2</sup>[either weekly,] bi-weekly<sup>2</sup>[, or semi-monthly] payments. The wages shall be paid in a single check, or, at the temporary laborer's sole option, by direct deposit or other manner approved by the commissioner, representing the wages earned during the period<sup>2</sup>[, either weekly, bi-weekly, or semi-monthly, designated by the temporary laborer] in accordance with P.L.1965, c.173 (C.34:11-4.1 et seq.).
- Vouchers or any other method of payment which are not negotiable shall be prohibited as a method of payment of wages. Temporary help service firms that make daily wage payments shall provide written notification to all temporary laborers <sup>2</sup>in a designated classification placement<sup>2</sup> of the right to request

- <sup>2</sup>[weekly,]<sup>2</sup> bi-weekly<sup>2</sup>[, or semi-monthly]<sup>2</sup> checks. The temporary help service firm may provide this notice by conspicuously posting the notice at the location where the wages are received by the temporary laborers.
- d. No temporary help service firm shall charge any temporary laborer <sup>2</sup>in a designated classification placement <sup>2</sup> for cashing a check issued by the temporary help service firm for wages earned by a temporary laborer who performed work through that temporary help service firm. No temporary help service firm or third party client shall charge any temporary laborer <sup>2</sup>in a designated classification placement<sup>2</sup> for the expense of conducting any consumer report, as that term is defined in the "Fair Credit Reporting Act," (15 U.S.C. s.1681 et seq.), any criminal background check of any kind, or any drug test of any kind.
  - e. Temporary laborers <sup>2</sup>in a designated classification placement <sup>2</sup> shall be paid no less than the wage rate stated in the notice as provided in section 3 of P.L. , c. (C. ) (pending before the Legislature as this bill), for all the work performed on behalf of the third party client in addition to the work listed in the written description.

- f. <sup>1</sup>(1)<sup>1</sup>The total amount deducted for meals and equipment shall not cause <sup>2</sup>[a temporary laborer's] the<sup>2</sup> hourly wage <sup>2</sup>of a temporary laborer in a designated classification placement<sup>2</sup> to fall below the State or federal minimum wage, whichever is greater. <sup>1</sup>[However, a]
- (2) A¹ temporary help service firm may deduct the actual market value of reusable equipment provided to ²[the] a² temporary laborer ²in a designated classification placement² by the temporary help service firm which the temporary laborer fails to return, if the temporary laborer provides a written authorization for that deduction at the time the deduction is made. ¹For any additional equipment, clothing, accessories, or other items which are not required by the nature of the work, either by law, custom, or as a requirement of the third party client that ²[the] a² temporary help service firm makes available ²to temporary laborers in designated classification placements² for purchase, the temporary help service firm shall charge no more than actual market value.
- (3) A temporary help service firm shall not charge <sup>2</sup>a<sup>2</sup> temporary laborer <sup>2</sup>in a designated classification placement <sup>2</sup> for any meal not consumed by the temporary laborer and, if consumed, no more than the actual cost of a meal. The purchase of a meal shall not be a condition of employment for a temporary laborer <sup>2</sup>in a designated classification placement <sup>2</sup>. <sup>1</sup>
- g. A temporary laborer who is contracted by a temporary help service firm to work at a third party client's worksite <sup>2</sup>[but] in a designated classification placement but who<sup>2</sup> is not utilized by the

- third party client<sup>2</sup>, shall be paid by the temporary help service firm
- 2 for a minimum of four hours of pay at the agreed upon rate of pay.
- 3 However, in the event the temporary help service firm contracts the
- 4 temporary laborer to work at another location during the same shift,
- 5 the temporary laborer shall be paid by the temporary help service
- 6 firm for a minimum of two hours of pay at the agreed upon rate of
- 7 pay.

- h. A third party client is required to reimburse a temporary help service firm wages and related payroll taxes for services performed <sup>2</sup>for a third party client by <sup>2</sup>[the] a <sup>2</sup> temporary laborer <sup>2</sup>[for the third party client] in a designated classification placement according to payment terms outlined on invoices, service agreements, or stated terms provided by the temporary help service firm. A third party client who fails to comply with this subsection is subject to the penalties provided in section 11 of P.L., c. (C. ) (pending before the Legislature as this bill).
  - The commissioner shall review a complaint filed by a <sup>2</sup>[licensed] temporary help service firm <sup>2</sup>that makes designated classification placements against a third party client. The commissioner shall review the payroll and accounting records of the temporary help service firm and the third party client for the period in which the violation of P.L. , c. (C. ) (pending before the Legislature as this bill) is alleged to have occurred to determine if wages and payroll taxes have been paid to the temporary help service firm and that the temporary laborer has been paid the wages owed.
  - i. Any temporary help service firm that violates this section shall be subject to a civil penalty not to exceed \$500 for each violation found by the commissioner. That penalty shall be collected by the commissioner in a summary proceeding in accordance with the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

7. (New section) a. (1) No temporary help service firm shall restrict the right of a temporary laborer <sup>2</sup>in a designated classification placement<sup>2</sup> to accept a permanent position with a third party client to whom the temporary laborer has been referred for work, restrict the right of a third party client to offer employment to a temporary laborer, or restrict the right of a temporary laborer to accept a permanent position for any other employment. A temporary help service firm may charge a placement fee to a third party client for employing a temporary laborer <sup>2</sup>in a designated classification placement<sup>2</sup> for whom a contract for work was effected by the temporary help service firm not to exceed the equivalent of the total daily commission rate the temporary help service firm would have received over a 60-day period, reduced by the equivalent of the daily commission rate the

temporary help service firm would have received for each day the temporary laborer has performed work for the temporary help service firm in the preceding 12 months.

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(2) Any temporary help service firm which charges a placement fee to a third party client for employing a temporary laborer <sup>2</sup>in a designated classification placement<sup>2</sup> shall include on the wage payment and notice form of each affected temporary laborer the maximum amount of a fee that shall be charged to a third party client by the temporary help service firm, and the total amount of actual charges to the third party client for the temporary laborer during each pay period compared to the total compensation cost for the temporary laborer, including costs of any benefits provided. Failure to provide the required information shall constitute a separate violation for each day the temporary help service firm fails to provide the required information. No fee provided for under this section shall be assessed or collected by the temporary help service firm when <sup>2</sup>[the] a<sup>2</sup> temporary laborer <sup>2</sup>in a designated classification placement<sup>2</sup> is offered permanent work following the suspension <sup>2</sup>[or], <sup>2</sup> revocation <sup>2</sup>, or non-renewal <sup>2</sup> of the temporary help service firm's <sup>2</sup>[registration] certification<sup>2</sup> <sup>2</sup>[commissioner] <u>director</u><sup>2</sup>.

<sup>2</sup> [b. Each year, at the time of registration with the commissioner as required by section 8 of P.L., c. (C.) (pending before the Legislature as this bill), each temporary help service firm shall submit to the commissioner, on a form created by the commissioner, the number of temporary laborers the temporary help service firm has placed in a permanent position with a third party client in the preceding 12 months as well as the percentage those permanent placements represent of the total number of temporary laborers contracted by the temporary help service firm during the same period. Each day that the temporary help service firm fails to fully comply with the requirements of this subsection shall constitute a separate notice violation.

c.] b.² Any temporary laborer assigned to work at a third party client <sup>2</sup>in a designated classification placement <sup>2</sup> shall not be paid less than the <sup>2</sup>[same] <sup>2</sup> average rate of pay and <sup>2</sup>[equivalent] average cost of <sup>2</sup> benefits <sup>2</sup>[as a permanent employee], or the cash equivalent thereof, <sup>2</sup> of <sup>2</sup>employees of <sup>2</sup> the third party client performing the same or substantially similar work on jobs the performance of which requires equal skill, effort, and responsibility, and which are performed under similar working conditions <sup>2</sup>for the third party client at the time the temporary laborer is assigned to work at the third party client <sup>2</sup>. Each violation of this subsection for each affected temporary laborer shall constitute a separate violation under section 11 of P.L., c. (C. ) (pending before the Legislature as this bill).

<sup>2</sup>[d.]c.<sup>2</sup> Any temporary help service firm that violates this section shall be subject to a civil penalty not to exceed <sup>1</sup>[\$500] \$5,000<sup>1</sup> for each violation found by the commissioner. That penalty shall be collected by the <sup>1</sup>[director] commissioner<sup>1</sup> in a summary proceeding in accordance with the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

<sup>2</sup>[¹e.]d.² If a third party client leases or contracts with a temporary help service firm for the services of a temporary laborer <sup>2</sup>in a designated classification requirement<sup>2</sup>, the third party client shall be, with the temporary help service firm, jointly and severally responsible for any violation of this section, including with respect to relief provided by section 11 of P.L. , c. (C. ) (pending before the Legislature as this bill) and civil penalties found by the commissioner. <sup>1</sup>

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8. (New section) a. A temporary help service firm which is located, operates, or transacts business within this State shall <sup>2</sup>[register with the commissioner] not make any designated classification placements unless it is certified by the director to do so,2 in accordance with rules adopted by the 2 [commissioner for temporary help service firms director and shall be subject to ) (pending before the Legislature as this bill). Each temporary help service firm <sup>2</sup>seeking certification to make designated classification placements<sup>2</sup> shall provide proof of an employer account number issued by the commissioner for the payment of unemployment insurance contributions as required under the "unemployment compensation law," R.S.43:21-1 et seq., <sup>2</sup>[and]; <sup>2</sup> proof of valid workers' compensation insurance in effect at the time of <sup>2</sup>[registration] certification<sup>2</sup> covering all of its employees<sup>2</sup>; on a form created by the director, the number of temporary laborers previously in designated classification placements whom the temporary help service firm has placed in a permanent position with a third party client in the preceding 12 months as well as the percentage those permanent placements represent of the total number of temporary laborers in designated classification placements contracted by the temporary help service firm during the same period; and such other information as the director may require pursuant to rules adopted under this section<sup>2</sup>. If, at any time, a <sup>2</sup>[temporary help service firm's] the<sup>2</sup> workers' compensation insurance coverage <sup>2</sup> for a temporary help service firm that makes designated classification placements<sup>2</sup> lapses, the temporary help service firm shall have an affirmative duty to report the lapse of coverage to the <sup>2</sup>[commissioner] director<sup>2</sup> and the temporary help service firm's <sup>2</sup>[registration] certification<sup>2</sup> shall be suspended until the firm's workers' compensation insurance is reinstated. <sup>2</sup>A temporary <u>help service firm shall inform the director</u>

of any change or addition to the information required under this subsection within 30 days of the change or addition.<sup>2</sup>

The <sup>2</sup>[commissioner] director<sup>2</sup> shall assess each temporary help 3 service firm <sup>2</sup>seeking certification to make designated classification 4 placements<sup>2</sup> a non-refundable <sup>2</sup>[registration] certification<sup>2</sup> fee not 5 exceeding \$2,000 per year per temporary help service firm and a 6 7 non-refundable fee not to exceed \$750 <sup>2</sup>per year<sup>2</sup> for each branch 8 office or other location where the temporary help service firm regularly <sup>2</sup>[contracts] conducts its business, including but not 9 <u>limited to contracting with and recruiting</u><sup>2</sup> with temporary laborers 10 for <sup>2</sup>designated classification placement <sup>2</sup> services. The fee shall be 11 paid by check or money order, and the <sup>2</sup>[commissioner] director<sup>2</sup> 12 may not refuse to accept a check on the basis that it is not a certified 13 check or a cashier's check. The <sup>2</sup>[commissioner] director<sup>2</sup> may 14 charge an additional fee to be paid by a temporary help service firm 15 <sup>2</sup>that makes designated classification placements <sup>2</sup> if the firm, or any 16 17 person on the firm's behalf, issues or delivers a check to the <sup>2</sup>[commissioner] <u>director</u><sup>2</sup> that is not honored by the financial 18 institution upon which it is drawn. The <sup>2</sup>[commissioner] director<sup>2</sup> 19 20 shall adopt rules for violation hearings and penalties for violations 21 of P.L., c. (C. ) (pending before the Legislature as this bill). <sup>2</sup>The director shall give the commissioner access to any 22 23 information that the director receives pursuant to this section.<sup>2</sup>

<sup>2</sup>[At the time of registration with the commissioner each year, a temporary help service firm shall provide the commissioner with a report containing the information identified in paragraph (9) of subsection a. of section 4 of P.L. , c. (C. ) (pending before the Legislature as this bill), broken down by branch office, in the aggregate for all temporary laborers assigned within New Jersey in the prior year to be submitted on a form created by the commissioner.]<sup>2</sup>

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- b. It is a violation of P.L. , c. (C. ) (pending before the Legislature as this bill) to operate a temporary help service firm <sup>2</sup>that makes designated classification placements <sup>2</sup> without being <sup>2</sup> [registered with] certified by <sup>2</sup> the <sup>2</sup> [commissioner] director <sup>2</sup> in accordance with subsection a. of this section. The <sup>2</sup> [Commissioner shall share a list of all registered temporary help service firms with the] <sup>2</sup> Division of Consumer Affairs in the Department of Law and Public Safety <sup>2</sup> [, and the division] <sup>2</sup> shall create and maintain on its Internet website, accessible to the public:
- (1) a list of all <sup>2</sup>[registered] certified<sup>2</sup> temporary help service firms in the State <sup>2</sup>that make designated classification placements<sup>2</sup> whose <sup>2</sup>[registration] certification<sup>2</sup> is in good standing;
- (2) a list of temporary help service firms in the State <sup>2</sup>that make designated classification placements <sup>2</sup> whose <sup>2</sup>[registration]

- certification<sup>2</sup> has been suspended, including the reason for the 1 suspension, the date that the suspension was initiated, and the date, 2
- 3 if known, that the suspension is to be lifted; and
- (3) a list of temporary help service firms in the State <sup>2</sup>that make 4 designated classification placements<sup>2</sup> whose <sup>2</sup>[registration] 5 certification<sup>2</sup> has been revoked, including the reason for the 6 revocation and the date that the <sup>2</sup>[registration] certification<sup>2</sup> was 7 8 revoked.
- The <sup>2</sup>[commissioner] <u>director</u><sup>2</sup> shall assess a penalty against any 9 temporary help service firm <sup>2</sup>that makes designated classification 10 placements and that fails to [register with the commissioner] 11 obtain a certification from the director<sup>2</sup> in accordance with P.L. , 12 ) (pending before the Legislature as this bill) or any 13
- rules adopted under P.L., c. (C. 14 ) (pending before the
- Legislature as this bill) of <sup>1</sup>[\$500] \$5,000<sup>1</sup> for each violation. Each 15
- 16 day during which a person operates as a temporary help service firm
- <sup>2</sup>that makes designated classification placements <sup>2</sup> without being 17
- <sup>2</sup>[registered] certified<sup>2</sup> as a temporary help service firm with the 18
- <sup>2</sup>[commissioner] director pursuant to this section<sup>2</sup> shall be a 19
- 20 separate and distinct violation of P.L. , c. (C.
- before the Legislature as this bill). That penalty shall be collected 21
- by the <sup>2</sup>[commissioner] director<sup>2</sup> in a summary proceeding in 22
- accordance with the "Penalty Enforcement Law of 1999," P.L.1999, 23
- 24 c.274 (C.2A:58-10 et seq.).

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- A temporary help service firm <sup>2</sup>that makes designated classification placements<sup>2</sup> shall obtain a surety bond issued by a surety company admitted to do business in this State. The principal sum of the bond shall not be less than \$200,000. A copy of the bond shall be filed with the <sup>2</sup>[commissioner] director<sup>2</sup>.
  - The bond required by this section shall be in favor of, and payable to, the people of the State of New Jersey, and shall be for the benefit of any temporary laborer damaged by the temporary help service firm's failure to pay wages, interest on wages, or fringe benefits, or damaged by violation of this section.
- 35 Thirty days prior to the cancellation or termination of any surety bond required by this section, the surety shall send written notice to 36 both the temporary help service firm and the <sup>2</sup>[commissioner] 37 38 <u>director</u><sup>2</sup> identifying the bond and the date of the cancellation or 39 termination.
- A temporary help service firm <sup>2</sup>that makes designated 40 classification placements<sup>2</sup> shall not conduct any business until it 41 obtains a new surety bond and files a copy of it with the 42 43 <sup>2</sup>[commissioner] director<sup>2</sup>.
- 44 This subsection shall not apply to a temporary help service firm 45 whose temporary laborers are covered by a valid collective
- 46 bargaining agreement, if the agreement expressly provides for:

1 (1) Wages;

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- 2 (2) Hours of work;
- 3 (3) Working conditions;
- 4 (4) An expeditious process to resolve disputes concerning 5 nonpayment of wages;
  - (5) Documentation of its current workers' compensation insurance policy in effect for the temporary laborers; and
    - (6) Compliance with all provisions of this section.
- c. The principal executive officer of a temporary help service firm <sup>2</sup>that makes designated classification placements<sup>2</sup> shall certify under oath at the time of <sup>2</sup>[registration] certification<sup>2</sup> of the temporary help service firm each year on a form created by the <sup>2</sup>[commissioner] director<sup>2</sup> that:
  - (1) the signing officer has reviewed the <sup>2</sup> [registration] certification<sup>2</sup> form of the temporary help service firm and confirmed the information is true and accurate to the best of the officer's knowledge;
  - (2) the signing officer has reviewed the recordkeeping practices of the temporary help service firm and confirmed that the recordkeeping practices comply with the requirements of section 4 of P.L. , c. (C. ) (pending before the Legislature as this bill) to the best of his or her knowledge;
- (3) the signing officer has reviewed the temporary help service 23 firm's filing as required by subsection <sup>2</sup>[b.]a.<sup>2</sup> of section <sup>2</sup>[7]8<sup>2</sup> of 24 P.L. , c. (C. ) (pending before the Legislature as this bill), 25 related to the placement of temporary laborers in permanent 26 positions with third party clients and has confirmed that those 27 practices comply with the requirements of section 7 of 28 ) (pending before the Legislature as this bill) 29 P.L. , c. (C. <sup>2</sup> and section 14 of P.L.1981, c.1 (C.56:8-1.1), <sup>2</sup> to the best of the 30 31 officer's knowledge;
  - (4) the signing officer has reviewed the temporary help service firm's practices related to the transportation of temporary laborers and has confirmed that those practices comply with the requirements of section 5 of P.L., c. (C.) (pending before the Legislature as this bill) to the best of the officer's knowledge;
  - (5) the signing officer has reviewed and is responsible for the surety bond posted by the temporary help service firm and its renewals; and
  - (6) the signing officer:
- 41 (a) is responsible for establishing and maintaining internal 42 controls to comply with the recordkeeping requirements; and
  - (b) has evaluated the effectiveness of the internal controls.
- d. An applicant is not eligible to <sup>2</sup> [register] obtain or renew a certification operate a temporary help service firm operate designated classification placements under P.L., c. (C.)
- 47 (pending before the Legislature as this bill) if the applicant or any

of its officers, directors, partners, or managers or any owner having percent or greater beneficial interest:

- (1) has been involved, as owner, officer, director, partner, or manager, of a temporary help service firm the registration <sup>2</sup> or certification<sup>2</sup> of which has been revoked or suspended without being reinstated within the five years immediately preceding the filing of the application; or (2) is under the age of 18.
- e. Every temporary help service firm <sup>2</sup>that makes designated classification placements<sup>2</sup> shall post and keep posted at each location, in a position easily accessible to all employees, notices as supplied and required by the commissioner containing a copy or summary of the provisions of P.L., c. (C. ) (pending before the Legislature as this bill), and a notice which informs the public of a toll-free telephone number operated by the commissioner for temporary laborers <sup>2</sup>in designated classification placements<sup>2</sup> and the public to file wage dispute complaints and other alleged violations temporary help service firms <sup>2</sup>that make designated classification placements<sup>2</sup>. The notices shall be in English or any other language generally understood in the locale of the temporary help service firm.
  - f. No temporary help service firm shall be permitted to <sup>2</sup> [register] obtain or renew a certification <sup>2</sup> to <sup>2</sup> [operate] make designated classification placements <sup>2</sup> in New Jersey until it has complied with the requirements of this section.
  - <sup>2</sup>g. Notwithstanding any law, rule, or regulation to the contrary, any person or entity that meets the definition of temporary help service firm and that makes designated classification placements as those terms are defined in section 2 of P.L., c. (C.) (pending before the Legislature as this bill), shall obtain a certification pursuant to this section and otherwise comply with the provisions of P.L., c. (C.) (pending before the Legislature as this bill), regardless of whether the person or entity is licensed or registered as one or more of the entities identified in section 1 of P.L.1989, c.331 (C.34:8-43).
  - h. The requirements of this section shall be in addition to those imposed by any other applicable law, rule, or regulation, including section 14 of P.L.1981, c.1 (C.56:8-1.1) and any rules or regulations promulgated thereunder. A temporary help service firm shall not receive a certification under this section unless it is either registered as a temporary help service firm pursuant to section 14 of P.L.1981, c.1 (C.56:8-1.1) and any rules or regulations promulgated thereunder, or licensed or registered as an entity authorized by any other law, rule, or regulation to provide temporary help services.<sup>2</sup>

9. (New section) <sup>1</sup>[a.]<sup>1</sup> It is a violation of P.L., 46 c. (C. ) (pending before the Legislature as this bill) for a third 47 party client to enter into a contract <sup>2</sup>with a temporary help service

firm not certified under section 8 of P.L., c. (C.) (pending 1 before the Legislature as this bill), for the [employment] 2 assignment<sup>2</sup> of a temporary laborer <sup>2</sup> [with a temporary help service 3 firm not registered under section 8 of P.L. 4 , c. 5 (pending before the Legislature as this bill) 1 to a designated 6 classification placement<sup>2</sup>. A third party client shall verify a temporary help service firm's status with the <sup>2</sup>[commissioner] 7 director<sup>2</sup> before entering into a contract with the temporary help 8 9 service firm <sup>2</sup>for the assignment of a temporary laborer to a designated classification placement<sup>2</sup>, and on March 1 and 10 September 1 of each year. 11 A temporary help service firm shall provide each of its third 12 party clients with proof of valid <sup>2</sup> [registration] certification<sup>2</sup> issued 13 by the <sup>2</sup>[commissioner] director<sup>2</sup> at the time of entering into a 14 contract <sup>2</sup> for the assignment of a temporary laborer to a designated 15 classification placement<sup>2</sup>. A temporary help service firm shall be 16 17 required to notify, both by telephone and in writing, each temporary laborer it <sup>2</sup>[employs] assigns to a designated classification 18 placement<sup>2</sup> and each third party client with whom it has a contract 19 <sup>2</sup>for the assignment of a temporary laborer to a designated 20 classification placement<sup>2</sup> within 24 hours of any denial, suspension, 21 <sup>2</sup>[or] , <sup>2</sup> revocation<sup>2</sup>, or non-renewal<sup>2</sup> of its <sup>2</sup>[registration] 22 <u>certification</u><sup>2</sup> by the <sup>2</sup>[commissioner] <u>director</u><sup>2</sup>. All contracts 23 24 between any temporary help service firm and any third party client 25 <sup>2</sup>for the assignment of a temporary laborer to a designated classification placement<sup>2</sup> shall be considered null and void from the 26 date any denial, suspension, <sup>2</sup>[or]<sup>2</sup>, revocation<sup>2</sup>, or non-renewal<sup>2</sup> of 27 28 <sup>2</sup>[registration] certification<sup>2</sup> becomes effective and until such time 29 as the temporary help service firm becomes <sup>2</sup>[registered] certified<sup>2</sup> and considered in good standing by the <sup>2</sup>[commissioner] director<sup>2</sup> 30 31 as provided in section 8 of P.L. , c. (C. ) (pending before 32 the Legislature as this bill). Upon request, the <sup>2</sup>[commissioner] director<sup>2</sup> shall provide to a 33 third party client a list of entities <sup>2</sup>[registered] certified<sup>2</sup> as 34 temporary help service firms <sup>2</sup>pursuant to section 8 of P.L. 35 ) (pending before the Legislature as this bill)<sup>2</sup>. <sup>2</sup>[The 36 commissioner shall share a list of all registered temporary help 37 38 service firms with the Division of Consumer Affairs, and the division shall provide on its Internet website a list of entities 39 registered as temporary help service firms. **]**<sup>2</sup> A third party client 40 may rely on information provided by the <sup>2</sup>[commissioner] director<sup>2</sup> 41 or maintained on the <sup>2</sup>[division's] Division of Consumer Affair's <sup>2</sup> 42 website pursuant to section 8 of P.L. , c. 43 44 before the Legislature as this bill), and shall be held harmless if such information maintained or provided by the <sup>2</sup>[commissioner] 45

director<sup>2</sup> or the division was inaccurate. Any third party client that 1 violates this section shall be subject to a civil penalty not to exceed 2 \$500. Each day during which a third party client contracts with a 3 person operating as a temporary help service firm but not 4 <sup>2</sup>[registered] <u>certified</u><sup>2</sup> as a temporary help service firm under 5 section 8 of P.L., c. ) (pending before the Legislature 6 (C. 7 as this bill), shall constitute a separate and distinct offense.

<sup>1</sup> [b. If a third party client leases or contracts with a temporary help service firm for the services of a temporary laborer, the third party client shall be, with the temporary help service firm, jointly and severally responsible for:

(1) the payment of wages under the "New Jersey State Wage and Hour Law," P.L.1966, c.113 (C.34:11-56a et seq.), P.L.1965, c.173 (C.34:11-4.1 et seq.), R.S.34:11-57, and P.L.1952, c.9 (C.34:11-56.1 et seq.); and

(2) any violation of P.L. , c. (C. ) (pending before the Legislature as this bill).  $\mathbf{l}^1$ 

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10. (New section) a. It is a violation of P.L...., c....(C. (pending before the Legislature as this bill) for a temporary help service firm or third party client, or any agent of a temporary help service firm or third party client, to retaliate through discharge or in any other manner against any temporary laborer <sup>2</sup>in a designated classification placement<sup>2</sup> for exercising any rights granted under P.L., c. (C.) (pending before the Legislature as this bill). The termination or disciplinary action by a temporary help service firm against a temporary laborer <sup>2</sup>in a designated classification placement<sup>2</sup> within 90 days of the person's exercise of rights protected under P.L. , c. (C. ) (pending before the Legislature as this bill) shall raise a rebuttable presumption of having done so in retaliation for the exercise of those rights. Such retaliation shall subject a temporary help service firm or third party client, or both, to civil penalties pursuant to P.L., c. (C. ) (pending before the Legislature as this bill) or a private cause of action.

- b. It is a violation of P.L. , c. (C. ) (pending before the Legislature as this bill) for a temporary help service firm or third party client to retaliate against a temporary laborer <sup>2</sup> in a designated classification placement <sup>2</sup> for:
- (1) making a complaint to a temporary help service firm, to a third party client, to a co-worker, to a community organization, before a public hearing, or to a State or federal agency that rights guaranteed under P.L. , c. (C. ) (pending before the Legislature as this bill) have been violated;
- 44 (2) instituting any proceeding under or related to 45 P.L., c. (C. ) (pending before the Legislature as this bill); 46 or

(3) testifying or preparing to testify in an investigation or proceeding under P.L. , c. (C. ) (pending before the Legislature as this bill).

c. When the commissioner finds that a temporary help service firm or third party client has violated this section, the commissioner is authorized to assess and collect administrative penalties, up to a maximum of \$250 for a first violation and up to a maximum of \$500 for each subsequent violation, specified in a schedule of penalties to be promulgated as a rule or regulation by the commissioner in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). When determining the amount of the penalty imposed because of a violation, the commissioner shall consider factors which include the history of previous violations by the employer, the seriousness of the violation, the good faith of the employer and the size of the employer's business. No administrative penalty shall be levied pursuant to this section unless the commissioner provides the alleged violator with notification of the violation and of the amount of the penalty by certified mail and an opportunity to request a hearing before the commissioner or his designee within 15 days following the receipt of the notice. If a hearing is requested, the commissioner shall issue a final order upon such hearing and a finding that a violation has occurred. If no hearing is requested, the notice shall become a final order upon expiration of the 15-day period. Payment of the penalty is due when a final order is issued or when the notice becomes a final order. Any penalty imposed pursuant to this section may be recovered with costs in a summary proceeding commenced by the commissioner pursuant to "the penalty enforcement law" (N.J.S. 2A:58-1 et seq.). Any sum collected as a fine or penalty pursuant to this section shall be applied toward enforcement and administration costs of the Department of Labor and Workforce Development.

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11. (New section) a. A person aggrieved by a violation of P.L., c. (C.) (pending before the Legislature as this bill) by a temporary help service firm or a third party client may institute a civil action in the Superior Court, in the county where the alleged offense occurred or where any temporary laborer who is party to the action resides, without regard to exhaustion of any alternative administrative remedies provided in P.L., c. (C.) (pending before the Legislature as this bill).

A temporary help service firm aggrieved by a violation of P.L., c. (C. ) (pending before the Legislature as this bill) by a third party client may institute a civil action in the Superior Court, in the county where the alleged offense occurred or where the temporary help service firm which is party to the action is located.

An action may be brought by one or more temporary laborers employed by the temporary help service firm for and on behalf of themselves and other temporary laborers similarly situated against the temporary help service firm or a third party client.

Notwithstanding any other relief provided under any other provision of law, a temporary laborer whose rights have been violated under P.L. , c. (C. ) (pending before the Legislature as this bill) by a temporary help service firm or a third party client or a temporary help service firm whose rights have been violated under P.L. , c. (C. ) (pending before the Legislature as this bill) by a third party client is entitled to the following relief:

- (1) in the case of any violation of subsection a. of section 7 of P.L., c. (C. ) (pending before the Legislature as this bill) relating to any unlawful restrictions by a temporary help service firm on the right of a temporary laborer to accept a permanent position for any other employment or the right of a third party client to offer such employment to a temporary laborer, \$50 for each temporary laborer affected by the temporary help service firm 's policy, practice, or agreement and for each day that policy, practice, or agreement is in effect, plus actual damages;
- (2) in the case of unlawful retaliation, the greater of all legal or equitable relief as may be appropriate or liquidated damages equal to \$20,000 per incident of retaliation, at the selection of the aggrieved temporary laborer, and reinstatement, if appropriate; and
  - (3) attorney's fees and costs.
- b. The right of an aggrieved person to bring an action under this section terminates upon the passing of six years from the final date of employment by the temporary help service firm or the third party client or upon the passing of six years from the date of termination of the contract between the temporary help service firm and the third party client.

- 12. (New section) a. The <sup>2</sup>[commissioner] <u>director</u><sup>2</sup> shall have the authority to deny, <sup>2</sup><u>suspend</u>, <sup>2</sup> revoke, or refuse to renew any <sup>2</sup>[registration] <u>certification</u><sup>2</sup> issued under section 8 of P.L. ,
- ) (pending before the Legislature as this bill). (C. b. The <sup>2</sup>[commissioner] director<sup>2</sup> shall notify a temporary help service firm in writing by mail of the denial, <sup>2</sup>suspension of,<sup>2</sup> revocation of, or refusal to renew the <sup>2</sup> [registration] certification<sup>2</sup> and the reason for the denial, <sup>2</sup>suspension of,<sup>2</sup> revocation, or refusal. The <sup>2</sup>[commissioner shall also notify the]<sup>2</sup> Division of Consumer Affairs <sup>2</sup>[of] shall update the list of temporary help service firms certified to make designated classification placements on its website to reflect<sup>2</sup> any denial, <sup>2</sup>suspension, <sup>2</sup> revocation or refusal to renew the <sup>2</sup>[registration] <u>certification</u><sup>2</sup> of a temporary help service firm<sup>2</sup>[, and the division shall update its list of registered temporary help service firms on the

Division of Consumer Affairs' website to reflect these changes ]<sup>2</sup>.

- The <sup>2</sup>[commissioner] director<sup>2</sup> may deny, <sup>2</sup>suspend,<sup>2</sup> revoke, or refuse to renew any <sup>2</sup>[registration] certification<sup>2</sup> issued under section 8 of P.L., c. (C.) (pending before the Legislature as this bill) on the following grounds:
- 5 (1) The temporary help service firm is in default of payment of the <sup>2</sup>[registration] certification<sup>2</sup> fee required under section 8 of 6 7 ) (pending before the Legislature as this bill), fails to obtain <sup>2</sup>or maintain<sup>2</sup> or terminates the surety bond required 8 under section 8 of P.L. , c. 9 (C. ) (pending before the Legislature as this bill), or otherwise fails to comply with the 10 requirements under section 8 of P.L. , c. 11 ) (pending before the Legislature as this bill); 12
- 13 (2) The <sup>2</sup>[registration] certification<sup>2</sup> required under section 8 of P.L., c. (C. ) (pending before the Legislature as this bill) was procured by fraud or false representation of fact;
- (3) The temporary help service firm is subject to a court order entering final judgment for violations of P.L. , c. (C. )

  (pending before the Legislature as this bill) or for violations of P.L.1966, c.113 (C.34:11-56a et seq.) and the judgment was not satisfied within 30 days of either:
- 21 (a) the expiration of the time for filing an appeal from the final judgment order; or

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- (b) if a timely appeal was made, the date of the final resolution of that appeal and any subsequent appeals resulting in final judicial affirmation of the findings of a violation;
- (4) The temporary help service firm has failed to comply with the terms of an administrative penalty or final order, within 30 days of issuance of that penalty or order, issued by the commissioner <sup>2</sup>or the director<sup>2</sup> pursuant to P.L., c. (C.) (pending before the Legislature as this bill) or <sup>2</sup>issued by the commissioner pursuant to<sup>2</sup> P.L.1966, c.113 (C.34:11-56a et seq.) for which all appeal rights have been exhausted; <sup>2</sup>[or]<sup>2</sup>
- 33 (5) The temporary help service firm has been determined 34 through a separate enforcement process to be operating in violation 35 of any law<sup>2</sup>; or
- (6) The temporary help service firm has committed one or more
   violations of P.L., c. (C.) (pending before the Legislature as
   this bill), that have jeopardized the public health, safety, or welfare,
   or that call into question the firm's ability to operate as a temporary
   help service firm in compliance with P.L., c. (C.) (pending
   before the Legislature as this bill).
- c. If a temporary help service firm's application for initial registration or renewal is denied pursuant to section 14 of P.L.1981, c.1 (C.56:8-1.1) or any rules or regulations promulgated thereunder, or if a temporary help service firm's registration is suspended, revoked, or not renewed for any reason, the director shall take the same action against the temporary help service firm with respect to

- an application or a certification under section 8 of P.L. 1 2 ) (pending before the Legislature as this bill). If a 3 person or entity that holds or seeks a license or registration that 4 authorizes the person or entity to provide temporary help services 5 pursuant to any other law, rule, or regulation is denied such license or registration, or if such license or registration is suspended, 6 7 revoked, or not renewed for any reason, the director shall take the 8 same action against the temporary help service firm with respect to an application or a certification under section 8 of P.L. 9 10 c. (C. ) (pending before the Legislature as this bill).
- d. The director shall not deny, revoke, or refuse to renew a 11 12 certification under this section except upon reasonable notice to, 13 and opportunity to be heard by, the applicant or certification-holder. 14 The director may, if the director finds it to be in the public interest, 15 suspend a certification for any period of time that the director 16 determines to be proper, or assess a penalty in lieu of suspension, or 17 both, and may issue a new certification, notwithstanding the 18 revocation of a prior certification, provided the director finds the 19 applicant to have become entitled to a new certification<sup>2</sup>.

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- 13. Section 1 of P.L.1989, c.331 (C.34:8-43) is amended to read as follows:
  - 1. As used in [this act] P.L.1989, c.331 (C.34:8-43 et al.):

"Accepting employment" means that a job seeker has entered into an agreement with an employer which includes:

- (1) The terms and conditions of employment;
- (2) The salary or wages and any benefits to be paid to the job seeker as compensation for employment; and
  - (3) The date, time and place employment will commence.

"A career consulting or outplacement organization" means any person, required to be registered under section 24 of [this act] P.L.1989, c.331 (C.34:8-65), providing or rendering services, with or without related products, in connection with advice, instruction, analysis, recommendation or assistance concerning past, present, or future employment or compensation for an individual's time, labor or effort.

"Agent" means any individual who performs any function or activity for or on behalf of any person, the purpose of which is to provide services or products to individuals seeking employment, career guidance or counseling, or employment related services or products.

"Applicant" means any person applying for licensing or registration under [this act] P.L.1989, c.331 (C.34:8-43 et al.).

"Attorney General" means the Attorney General of this State or a designee.

"Baby sitter" means and includes any individual under 16 years of age, other than a registered nurse or a licensed nurse, entrusted temporarily with the care of children during the absence of their

- 1 parents, guardians, or individuals standing in loco parentis to them.
- 2 This definition shall not include persons regularly employed by
- 3 agencies, or institutions operated by or under the control or
- 4 supervision of this State, or any of its political subdivisions, nor any
- 5 child care facilities operated for the care of children when the
- 6 facilities are similarly controlled or supervised.

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"Booking agency" means any person who procures, offers, promises, or attempts to procure employment for performing artists, or athletes, not under the jurisdiction of the Athletic Control Board, and who collects a fee for providing those services.

"Bureau" means the Bureau of Employment and Personnel Services in the Division of Consumer Affairs within the Department of Law and Public Safety created pursuant to section 2 of [this act] P.L.1989, c.331 (C.52:17B-139.4).

"Career counseling service" means any business that, through its agents or otherwise, procures or represents itself as procuring employment or employment assistance or advertises in any manner the following services for a fee: career counseling; vocational guidance; aptitude, achievement or vocational testing; executive consulting; personnel consulting; career management, evaluation, or planning; the development of resumes and other promotional materials relating to the preparation for employment; or referral services relating to employment or employment qualifications. A career counseling service shall be licensed as an employment agency pursuant to the provisions of [this act] P.L.1989, c.331 (C.34:8-43 et al.). A career counseling service shall not include career consulting or outplacement organizations required to be registered under section 24 of [this act] P.L.1989, c.331 (C.34:8-65).

"Chief" means the Chief of the Bureau of Employment and Personnel Services.

"Consulting firm" means any person required to be registered under section 23 of [this act] P.L.1989, c.331 (C.34:8-64) that:

- (1) Identifies, appraises, refers or recommends individuals to be considered for employment by the employer; and
- (2) Is compensated for services solely by payments from the employer and is not, in any instance, compensated, directly or indirectly, by an individual who is identified, appraised, referred or recommended.

"Director" means the Director of the Division of Consumer
Affairs in the Department of Law and Public Safety, or his
designee.

"Employer" means a person seeking to obtain individuals to perform services, tasks, or labor for which a salary, wage, or other compensation or benefits are to be paid.

"Employment agency" means any person who, for a fee, charge or commission:

- (1) Procures or obtains, or offers, promises or attempts to procure, obtain, or assist in procuring or obtaining employment for a job seeker or employees for an employer; or
- (2) Supplies job seekers to employers seeking employees on a part-time or temporary assignment basis who has not filed notification with the Attorney General pursuant to the provisions of section [1] 14 of P.L.1981, c.1 (C.56:8-1.1); or
- (3) Procures, obtains, offers, promises or attempts to procure or obtain employment or engagements for actors, actresses, performing artists, vocalists, musicians or models; or
- (4) Acts as a placement firm, career counseling service, or resume service; or
  - (5) Acts as a nurses' registry.

<sup>2</sup>["Employment agency" does not mean "temporary help service firm" as that term is defined and used in sections 1 through 12 of P.L., c. (C. ) (pending before the Legislature as this bill).]<sup>2</sup>

The director shall have the authority to determine, from time to time, that a particular employment agency or career-related service or product, not otherwise expressly subject to the provisions of [this act] P.L.1989, c.331 (C.34:8-43 et al.), is subject to whichever requirements of [this act he] P.L.1989, c.331 (C.34:8-43 et al.) the director deems appropriate.

"Fee, charge or commission" means any payment of money, or promise to pay money to a person in consideration for performance of any service for which licensure or registration is required by [this act] P.L.1989, c.331 (C.34:8-43 et al.), or the excess of money received by a person furnishing employment or job seekers over what he has paid for transportation, transfer of baggage or lodging for a job seeker. "Fee, charge or commission" shall also include the difference between the amount of money received by any person who either furnishes job seekers or performers for any entertainment, exhibition or performance, or who furnishes baby sitters for any occasion, and the amount paid by the person to the job seekers, performers or baby sitters.

"Job listing service" means any person required to be registered under section 25 of [this act] P.L.1989, c.331 (C.34:8-66) who, by advertisement or other means, offers to provide job seekers with a list of employers, a list of job openings or a similar publication, or prepares resumes or lists of applicants for distribution to potential employers, where a fee or other valuable consideration is exacted or attempted to be collected, either directly or indirectly.

"Job seeker" means any individual seeking employment, career guidance or counseling or employment related services or products.

"Job seeker contingent liability" means a provision in an agreement between an employment agency and a job seeker whereby the job seeker may become liable, in whole or in part, to pay a fee, charge or commission of any amount, directly or

1 indirectly, on account of any service rendered by the employment 2 agency.

"Just cause for voluntary termination of employment by a job seeker" means and includes, but is not limited to, cases in which material misrepresentations of the terms or conditions of employment have been relied upon by a job seeker who would not have accepted the employment if the grounds for termination were known before acceptance of the employment.

"License" means a license issued by the director to any person o:

- (1) Carry on the business of an employment agency; and
- (2) Perform, as an agent of the agency, any of the functions related to the operation of the agency.

"Performing artist" means a model, musical, theatrical or other entertainment performer employed or engaged individually or in a group.

"Person" means any natural person or legal representative, partnership, corporation, company, trust, business entity or association, and any agent, employee, salesperson, partner, officer, director, member, stockholder, associate, trustee or cestuis que trustent thereof.

"Prepaid computer job matching service" means any person required to be registered under section 25 of [this act] P.L.1989, c.331 (C.34:8-66) who is engaged in the business of matching job seekers with employment opportunities, pursuant to an arrangement under which the job seeker is required to pay a fee in advance of, or contemporaneously with, the supplying of the matching, but which does not otherwise involve services for the procurement of employment by the person conducting the service.

"Primary location" means an address used for 90 or more calendar days by a person for the conduct of an activity regulated under [this act] P.L.1989, c.331 (C.34:8-43 et al.).

"Principal owner" means any person who, directly or indirectly, holds a beneficial interest or ownership in an applicant or who has the ability to control an applicant.

"Temporary employment" means employment in which the duration is fixed as some definite agreed period of time or by the occurrence of some specified event, either of which shall be clearly stated to all parties at the time of referral to the employment.

"Temporary help service firm" means any person who operates a business which consists of employing individuals directly or indirectly for the purpose of assigning the employed individuals to assist the firm's customers in the handling of the customers' temporary, excess or special work loads, and who, in addition to the payment of wages or salaries to the employed individuals, pays federal social security taxes and State and federal unemployment insurance; carries worker's compensation insurance as required by State law; and sustains responsibility for the actions of the

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employed individuals while they render services to the firm's 1 2 customers. A temporary help service firm is required to comply 3 with the provisions of P.L.1960, c.39 (C.56:8-1 et seq.). 4 (cf: P.L.1989, c.331, s.1) 5 6 <sup>2</sup>14. The rights and obligations established by P.L. 7 c. (C. ) (pending before the Legislature as this bill) shall be in 8 addition to those set forth in P.L.1960, c.39 (C.56:8-1 et seq.) and 9 any rules or regulations promulgated thereunder; P.L.1989, c.331 10 (C.34:8-43 et seq.) and any rules or regulations promulgated thereunder; and any other applicable law, rule, or regulation.<sup>2</sup> 11 12 <sup>2</sup>15. There is appropriated from the General Fund to the 13 Department of Labor and Workforce Development the sum of 14 15 \$1,000,000 for the purpose of funding the Department's activities under P.L. , c. (C. ) (pending before the Legislature as this 16 bill).2 17 18 <sup>2</sup>[14.]16.<sup>2</sup> This act shall take effect <sup>1</sup>[immediately] on the 19 <sup>2</sup>[90th] 180th<sup>2</sup> day after the date of enactment<sup>1</sup>, except that 20 sections 3 and 10 shall take effect on the 90th day after the date of 21 enactment, provided however that the commissioner and director 22 23 may take such anticipatory action as deemed necessary prior to the

effective date<sup>2</sup>.