

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1474

STATE OF NEW JERSEY

DATED: MAY 19, 2022

The Assembly Labor Committee reports favorably Assembly Bill No. 1474.

This bill provides certain protections to temporary laborers and imposes requirements on temporary help service firms and third party clients of those entities. Additionally, the bill provides that the Department of Labor and Workforce Development will be responsible for the oversight of temporary help service firms and third party clients. Specifically, under the bill, a temporary help service firm is required to provide a statement to temporary laborers with the following information:

(1) the name of the temporary laborer;

(2) the name, address and telephone number of: (a) the temporary help service firm, or the contact information of the firm's agent facilitating the placement; (b) its workers' compensation carrier; (c) the worksite employer or third party client; and (d) the Department of Labor and Workforce Development;

(3) the name and nature of the work to be performed;

(4) the wages offered;

(5) the name and address of the assigned worksite of each temporary laborer;

(6) the terms of transportation offered to the temporary laborer;

(7) a description of the position and whether it shall require any special clothing, protective equipment and training and what will be provided by the temporary help service firm or the third party client, and any costs charged to the employee for supplies or training;

(8) whether a meal or equipment is provided by the temporary help service firm or the third party client, and the cost of the meal and equipment;

(9) the schedule for multi-day assignments; and

(10) the length of the assignment.

Additionally, under the bill, a temporary help service firm is required to keep certain records relating to its transactions with temporary laborers, and to maintain the records for six years from their creation. The Commissioner of Labor and Workforce Development (commissioner) may inspect the records during normal business hours.

Moreover, the bill provides that a temporary help service firm or a third party client is prohibited from charging a fee to transport a temporary laborer to or from the designated work site, and that a

temporary help service firm is responsible for the performance of any person who transports a temporary laborer from the temporary help service firm to a work site, unless the transporter is:

- (1) a public mass transportation system;
- (2) a common carrier;
- (3) the temporary laborer providing his or her own transportation;

or

(4) selected exclusively by the temporary laborer for transportation in a vehicle not owned or operated by the temporary help service firm.

The bill also requires that, at the time of payment of wages, a temporary help service firm is required to provide each temporary laborer with a detailed itemized statement on the temporary laborer's paycheck stub.

Further, under the bill, a temporary help service firm is prohibited from restricting the right of a temporary laborer to accept a permanent position with a third party client to whom the temporary laborer has been referred for work, restricting the right of a temporary laborer to accept a permanent position with another employer, or restricting the right of that third party client to offer employment to a temporary laborer.

In addition, the bill provides that a temporary help service firm operating in the State is required to register with the commissioner and is required to provide proof of an employer account number for the payment of unemployment insurance contributions and valid workers' compensation insurance. Under the bill, the commissioner has the authority to deny, revoke, or refuse to renew any registration for certain specified reasons.

Moreover, under the bill, a third party client is prohibited from entering into a contract for the employment of temporary laborers with any temporary help service firm that is not registered. The bill also imposes a duty on the third party client to verify a temporary help service firm's status with the commissioner.

The bill also makes it a violation for a temporary help service firm or third party client to retaliate through discharge or in any other manner against any temporary laborer for exercising any rights granted under the bill. Under the bill, the termination or disciplinary action by a temporary help service firm against a temporary laborer within 90 days of the person's exercise of rights under the bill raises a rebuttable presumption of having done so in retaliation for the exercise of those rights.

In addition, a person aggrieved by a violation under the bill by a temporary help service firm or a third party client may institute a civil action in the Superior Court, and a temporary help service firm aggrieved by a violation under the bill by a third party client may institute a civil action in the Superior Court. The bill also provides that actions may be brought by one or more temporary laborers for and on behalf of themselves and other temporary laborers similarly situated.

The bill amends existing law to distinguish between the terms employment agency and temporary help service firm.

This bill was pre-filed for introduction in the 2022-2023 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.