ASSEMBLY, No. 5085

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED JANUARY 19, 2023

Sponsored by:

Assemblyman P. CHRISTOPHER TULLY District 38 (Bergen and Passaic) Assemblyman EDWARD H. THOMSON District 30 (Monmouth and Ocean) Assemblyman REGINALD W. ATKINS District 20 (Union)

Co-Sponsored by:

Assemblymen Schaer, Benson, Danielsen, Assemblywomen Reynolds-Jackson, Park and Assemblyman DiMaio

SYNOPSIS

Requires employer or contractor engaged in government construction work to register with and submit payroll records to DOLWD.



(Sponsorship Updated As Of: 3/30/2023)

AN ACT concerning the registration and payroll records of employers engaged in government construction work and amending P.L.1963, c.150 and P.L.1999, c.238.

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

- 1. Section 4 of P.L.1999, c.238 (C.34:11-56.51) is amended to read as follows:
- 4. <u>a.</u> No contractor shall bid on any contract for public work as defined in section 2 of P.L.1963, c.150 (C.34:11-56.26), [or] for which payment of the prevailing wage is required by any other provision of law, or for any other type of government work unless the contractor is registered pursuant to this act. No contractor shall list a subcontractor in a bid proposal for the contract unless the subcontractor is registered pursuant to P.L.1999, c.238 (C.34:11-56.48 et seq.) at the time the bid is made. No contractor or subcontractor, including a subcontractor not listed in the bid proposal, shall engage in the performance of any public work subject to the contract, unless the contractor or subcontractor is registered pursuant to that act.
 - b. As used in this section, "government work" means all construction work that is performed or completed for any municipal, county, regional, or State government, or any agency, department, commission or other instrumentality thereof, whether or not that work is subject to the "New Jersey Prevailing Wage Act," P.L.1963, c.150 (C.34:11-56.25 et seq.) or is categorized as public work as defined in section 2 of P.L.1963, c.150 (C.34:11-56.26).

(cf: P.L.2019, c.376, s.2)

- 2. Section 7 of P.L.1963, c.150 (C.34:11-56.31) is amended to read as follows:
 - 7. <u>a.</u> The commissioner shall have the authority to:
- (a) investigate and ascertain the wages of workmen employed inany public work in the State;
 - (b) enter and inspect the place of business or employment of any employer or workmen in any public work in the State, for the purpose of examining and inspecting any or all books, registers, payrolls, and other records of any such employer that in any way relate to or have a bearing upon the question of wages, hours, and other conditions of employment of any such workmen; copy any or all of such books, registers, payrolls, and other records as he or his authorized representative may deem necessary or appropriate; obtain proof of, and question, any worker's identity to determine whether the worker's identity is accurately and truthfully included

or reported in any or all books, registers, payrolls, and other records of the employer that in any way relate to or have a bearing upon the question of wages, hours, and other conditions of employment in the public work; and question such workmen for the purpose of ascertaining whether the provisions of this act have been and are being complied with;

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- (c) require from such employer full and correct statements in writing, including sworn statements, with respect to wages, hours, names, addresses, and such other information pertaining to his workmen and their employment as the commissioner, or his authorized representative may deem necessary or appropriate; [and]
- (d) require any employer to file, within 10 days of receipt of a request, any records enumerated in [subsections] paragraphs (b) and (c) of this section, sworn to as to their validity and accuracy. If the employer fails to provide the requested records within 10 days, the commissioner may direct within 15 days the fiscal or financial officer charged with the custody and disbursements of the funds of the public body which contracted for the public work immediately to withhold from payment to the employer up to 25% of the amount, not to exceed \$100,000.00, to be paid to the employer under the terms of the contract pursuant to which the public work is being performed. The amount withheld shall be immediately released upon receipt by the public body of a notice from the commissioner indicating that the request for records has been satisfied; and
- (e) require any employer or contractor engaged in any government work to file, with the commissioner and the public entity with which the employer or contractor is engaged in work, within 10 days of receipt of a request, any records all books, registers, payrolls, and other records of any such employer or contractor that in any way relate to or have a bearing upon the question of wages, hours, and other conditions of employment of any such workmen, and copies of any or all of such books, registers, payrolls, or other records as the commissioner or the commissioner's authorized representative may deem necessary or appropriate. If the employer fails to provide the requested records within 10 days, the commissioner may direct within 15 days the fiscal or financial officer charged with the custody and disbursements of the funds of the public body which contracted for the public work immediately to withhold from payment to the employer up to 25% of the amount, not to exceed \$100,000.00, to be paid to the employer under the terms of the contract pursuant to which the public work is being performed. The amount withheld shall be immediately released upon receipt by the public body of a notice from the commissioner indicating that the request for records has been satisfied.

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b. As used in paragraph (e) of subsection a. of this section, "government work" means all construction work that is performed or completed for any municipal, county, regional, or State government, or any agency, department, commission or other instrumentality thereof, whether or not that work is subject to the "New Jersey Prevailing Wage Act," P.L.1963, c.150 (C.34:11-56.25 et seq.) or is categorized as public work as defined in section 2 of P.L.1963, c.150 (C.34:11-56.26). (cf: P.L.2015, c.281, s.1)

3. This act shall take effect on the first day of the third month next following enactment, except that the Commissioner of Labor and Workforce Development may take any anticipatory administrative action in advance as shall be necessary for the implementation of this act.

STATEMENT

This bill requires any employer or contractor engaged in government work to register with the Department of Labor and Workforce Development and submit certified payroll records to the department and to the public entity with which the employer or contractor is engaged to work. Under current law, employers and contractors engaged in public work, or otherwise subject to the State's prevailing wage requirements, are required to register with the State and submit certified payroll records. This bill would require all contractors engaged in government work to register, whether or not that work is subject to the prevailing wage law or constitutes public work under the law.

The bill defines government work as work that is performed or completed for any municipal, county, regional, or State government, or any agency, department, commission or other instrumentality thereof, whether or not that work is subject to the "New Jersey Prevailing Wage Act," or is categorized as public work.