

SENATE, No. 4787

STATE OF NEW JERSEY
222nd LEGISLATURE

INTRODUCED OCTOBER 5, 2026

Sponsored by:
Senator BRIAN P. STACK
District 33 (Hudson)

SYNOPSIS

Requires labor harmony agreement in public works projects.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT regarding labor harmony agreements in connection with
2 construction projects subject to the “New Jersey Prevailing Wage
3 Act” and supplementing P.L.2002, c.44 (C.34:11-56.25 et seq.).
4

5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
7

8 1. For the purposes of this act:

9 “Commissioner” means the Commissioner of Labor and
10 Workforce Development.

11 “Contractor” means a business entering into a contract to
12 undertake any construction, reconstruction, demolition, alteration,
13 or repair projects subject to the “New Jersey Prevailing Wage Act,”
14 P.L.1963, c.150 (C.34:11-56.25 et seq.).

15 “Covered project” means any public works project subject to the
16 “New Jersey Prevailing Wage Act,” P.L.1963, c.150 (C.34:11-56.25
17 et seq.).

18 “Labor harmony agreement” means an agreement between
19 contractors, subcontractors, and laborers, which requires, for the
20 duration of the agreement, that all parties shall take reasonable and
21 necessary measures to avoid labor disputes, strikes, picketing, work
22 stoppages, slowdowns, or other disruptions that could interfere with
23 the project progress, timely completion, or cost efficiency.

24 “Proprietary interest” means an economic and non-regulatory
25 interest of a public entity in the economic or financial success of a
26 public works project, or the success of any facility in the project
27 that could be adversely affected by labor-management conflict,
28 including, but not limited to, the interest of the public entity as a
29 financier, investor, lessee, lessor, operator, or owner of the project,
30 facility, or property on which the project or facility is located, or as
31 the provider or facilitator of financial assistance to or for the
32 project, facility, or property, whether by direct loan or grant, or by a
33 guarantee, subsidy, deposit, credit enhancement or similar method,
34 and any interest of a public entity derived from the ongoing receipt
35 by the public entity of revenues from the project or facilities of the
36 project.
37

38 2. a. Except as provided in subsection c. of this section, no
39 public entity shall enter into a contract under which the public
40 entity has a proprietary interest in a covered project unless the
41 contract includes a requirement that the contractor and all
42 subcontractors of the contractor enter into a labor harmony
43 agreement. The public entity shall, prior to entering into the
44 contract, provide written notice to the contractor and any
45 subcontractors of all requirements of this act relevant to the
46 contract. The public entity shall provide the written disclosure to
47 each prospective bidder or other contractor as part of the

1 specifications for bidding or otherwise seeking the contract for the
2 covered project.

3 b. The requirements of this act regarding the inclusion of a
4 labor harmony agreement in any contract for a contractor to
5 undertake a covered project shall not be deemed to unduly restrict
6 competition, and any bidder refusing to comply with the
7 requirements of this act regarding labor harmony agreements shall
8 not be regarded as a responsible bidder.

9 c. The requirements of this act regarding a labor harmony
10 agreement shall not apply to a contractor or subcontractor that is
11 party to and maintains in effect a bona fide collective bargaining
12 agreement with a labor organization representing the employees of
13 the contractor or subcontractor who perform work on the covered
14 project, provided that the collective bargaining agreement contains
15 provisions prohibiting strikes, work stoppages, slowdowns,
16 picketing, or other labor-related disruptions, or otherwise provides
17 procedures for the resolution of labor disputes sufficient to ensure
18 labor harmony for the duration of the contractor's or
19 subcontractor's work on the covered project. For the purposes of
20 this subsection, compliance with the terms of such collective
21 bargaining agreement shall be deemed to satisfy the labor harmony
22 agreement requirements of this act with respect to the employees
23 and work covered by the collective bargaining agreement.

24 d. Nothing in this act shall restrict the ability of a contractor or
25 public entity to engage in lawful competitive bidding or
26 procurement processes.

27 e. In the event of any labor-related disruption affecting a
28 covered project, the contractor shall immediately notify and
29 cooperate with the awarding public entity or appropriate State
30 agency to identify and resolve the disruption. The public entity or
31 agency may take any action authorized by contract or law that is
32 reasonably necessary to restore labor harmony and ensure timely
33 and cost-effective project completion.

34
35 3. Failure to comply with the labor harmony agreement
36 requirement may constitute a material breach of the public works
37 contract and may subject the contractor or subcontractor to
38 remedies available under the contract, the "New Jersey Prevailing
39 Wage Act," P.L.1963, c.150 (C.34:11-56.25 et seq.), or other
40 applicable law.

41
42 4. The commissioner shall adopt rules and regulations pursuant
43 to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
44 1 et seq.) to effectuate the purposes of this act. These rules and
45 regulations shall provide a model labor harmony agreement, and
46 shall provide remedies and procedures for public entities to enforce
47 compliance with the provisions of this act and any labor harmony
48 agreement entered into pursuant to this act, including provisions for

1 the reimbursement of any costs or damages incurred by the public
2 entity in connection with any noncompliance with the provisions of
3 this act or the labor harmony agreement.

4
5 5. This act shall take effect on the first day of the sixth month
6 next following the date of enactment except that the commissioner
7 may take any anticipatory administrative action in advance as shall
8 be necessary for the implementation of this act.

9
10
11 STATEMENT

12
13 The bill requires labor harmony agreements for construction
14 projects subject to the “New Jersey Prevailing Wage Act” in which
15 a public entity has a proprietary interest.

16 A labor harmony agreement is an agreement between
17 contractors, subcontractors, and laborers, which requires, for the
18 duration of the agreement, that all parties take reasonable and
19 necessary measures to avoid labor disputes, strikes, picketing, work
20 stoppages, slowdowns, or other disruptions that could interfere with
21 the project progress, timely completion, or cost efficiency.

22 In the event of any labor-related disruptions, the contractor will
23 notify the awarding entity and work to resolve the disruption. The
24 public entity is authorized to take any reasonable actions authorized
25 by the contract to restore labor harmony.

26 Failure to comply with the labor harmony agreement may
27 constitute a material breach of the public works contract and may
28 subject the contractor or subcontractor to remedies available under
29 the contract, the “New Jersey Prevailing Wage Act,” or other
30 applicable law.

31 The Commissioner of Labor and Workforce Development will
32 adopt rules and regulations, including remedies and procedures for
33 public entities to enforce the provisions of the bill and provisions
34 for the reimbursement of any costs or damages incurred by the
35 public entity in connection with noncompliance.