

SENATE, No. 4813

STATE OF NEW JERSEY
222nd LEGISLATURE

INTRODUCED OCTOBER 15, 2026

Sponsored by:
Senator PARKER SPACE
District 24 (Morris, Sussex and Warren)

SYNOPSIS
Establishes “Subcontractor Licensing Enforcement Act.”

CURRENT VERSION OF TEXT
As introduced.



1 AN ACT concerning contractor and subcontractor licensing and
2 supplementing Title 45 of the Revised Statutes and amending
3 P.L.1999, c.238.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. (New section) P.L. , c. (C.) (pending before the
9 Legislature as this bill) shall be known and may be cited as the
10 “Subcontractor Licensing Enforcement Act.”

11
12 2. (New section) The Legislature finds and declares that:

13 a. The State of New Jersey requires licenses for various
14 regulated construction-related trades, including HVACR
15 contracting, electrical contracting, plumbing, fire and burglar alarm
16 installation, and other specialties.

17 b. The use of unlicensed subcontractors on construction
18 projects poses risks to public safety, worker safety, building and
19 home integrity, and consumer protection.

20 c. Current law does not clearly prohibit subcontractors from
21 performing regulated work under the license of a prime contractor,
22 allowing unlicensed entities to evade State oversight.

23 d. It is in the public interest to ensure that all entities
24 performing regulated trade work hold valid licenses for the specific
25 trade performed, regardless of whether they operate as contractors
26 or subcontractors.

27 e. Strengthening licensing compliance will improve safety,
28 increase accountability, prevent fraud, and promote lawful business
29 operations in New Jersey’s construction industry.

30
31 3. (New section) As used in P.L. , c. (C.) (pending
32 before the Legislature as this bill):

33 “Contractor” means any person or business entity engaged in or
34 offering to engage in regulated trade work for compensation.

35 “License” means a current and valid professional or occupational
36 license issued by the State of New Jersey permitting the
37 performance of a regulated trade.

38 “Regulated trade work” means work provided in the following
39 trades: HVACR contracting; electrical contracting; plumbing; fire
40 and burglar alarm installation; sheet metal work; or any activity
41 requiring licensure or certification under Title 45 of the Revised
42 Statutes or rules of the requisite boards for these trades.

43 “Subcontractor” means any person or business entity performing
44 work under a contract with a contractor or another subcontractor on
45 a construction project.

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.

1 4. (New section) a. No subcontractor shall perform, offer to
2 perform, advertise, or engage in any regulated trade work unless the
3 subcontractor holds the appropriate New Jersey license required for
4 that trade.

5 b. A contractor's license shall not, under any circumstance,
6 authorize a subcontractor to perform regulated trade work under the
7 contractor's license.

8 c. A contractor shall not hire, permit, direct, or contract with a
9 subcontractor to perform specific regulated trade work unless the
10 subcontractor is independently licensed for that trade.

11 d. Each subcontractor performing regulated trade work shall
12 provide proof of licensing to:

13 (1) the contractor prior to commencement of work;

14 (2) the permitting authority when permits are filed; and

15 (3) any State or local enforcement agency upon request.
16

17 5. (New section) a. All permit applications for regulated trade
18 work shall contain:

19 (1) the name and license number of the subcontractor performing
20 the regulated work; and

21 (2) proof of the subcontractor's physical license.

22 b. A permit shall not be issued unless the named subcontractor
23 holds the required license.

24 c. It shall be a violation of P.L. , c. (C.) (pending before
25 the Legislature as this bill) for any contractor to submit a permit
26 application using the contractor's own license for work that will be
27 performed by an unlicensed subcontractor.
28

29 6. (New section) a. A violation of P.L. , c. (C.)
30 (pending before the Legislature as this bill) shall constitute:

31 (1) an act of professional misconduct; and

32 (2) grounds for disciplinary action by the applicable licensing
33 board.

34 b. Penalties for a violation of P.L. , c. (C.) (pending
35 before the Legislature as this bill) shall include:

36 (1) fines of up to \$5,000 for the first offense, up to \$10,000 for
37 the second offense, and up to \$25,000 for each subsequent offense;

38 (2) suspension or revocation of the contractor's or
39 subcontractor's license or registration; and

40 (3) stop-work orders issued by a State or local enforcing agency.

41 c. Each day of continued violation shall constitute a separate
42 offense.
43

44 7. (New section) Contractors shall maintain records of each
45 subcontractor hired for regulated work, including copies of licenses,
46 contracts, and permit documentation for a period of three years. A
47 contractor who knowingly hires or retains an unlicensed

1 subcontractor to perform regulated trade work shall be jointly and
2 severally liable for any violation committed by that subcontractor.

3
4 8. Section 8 of P.L.1999, c.238 (C.34:11-56.55) is amended to
5 read as follows:

6 8. a. Each contractor shall, after the bid is made and prior to
7 the awarding of the contract, submit to the public entity, including,
8 but not limited to, any authority, board, or commission, the
9 certificates of registration for all subcontractors listed in the bid
10 proposal. Applications for registration shall not be accepted as a
11 substitute for a certificate of registration for the purposes of this
12 section.

13 b. No subcontractor may perform regulated trade work in the
14 performance of any public work unless licensed for that trade and
15 listed on all required documentation for the bidding and application
16 to perform public work.

17 c. A public body and any construction manager subject to a
18 contract for public work shall verify subcontractor licensing prior to
19 awarding or approving a subcontract.

20 d. As used in this section, “regulated trade work” means work
21 provided in the following trades: HVACR contracting; electrical
22 contracting; plumbing; fire and burglar alarm installation; sheet
23 metal work; or any activity requiring licensure or certification under
24 Title 45 of the Revised Statutes or rules of the requisite boards for
25 these trades.

26 (cf: P.L.2019, c.376, s.3)

27
28 9. The Director of the Division of Consumer Affairs, pursuant
29 to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
30 1 et seq.), shall adopt rules and regulations to effectuate the
31 purposes of P.L. , c. (C.) (pending before the Legislature as
32 this bill).

33
34 10. This act shall take effect on the 90th day next following the
35 date of enactment, except that the Director of the Division of
36 Consumer Affairs may take any anticipatory administrative action
37 in advance as may be necessary for the implementation of this act.
38 This act shall apply to contracts or agreements between contractors
39 and subcontractors initiated or renewed on or after the date of
40 enactment.

41 42 43 STATEMENT

44
45 This bill regulates the licensing and work of subcontractors for
46 HVACR contracting, electrical contracting, plumbing, fire and
47 burglar alarm installation, sheet metal work, or any activity
48 requiring licensure or certification under State law or the rules of

1 the requisite boards for these trades. Specifically, the bill provides
2 that no subcontractor is permitted to perform, offer to perform,
3 advertise, or engage in any regulated trade work unless the
4 subcontractor holds the appropriate New Jersey license required for
5 that trade.

6 Further, the bill provides that a contractor's license does not,
7 under any circumstance, authorize a subcontractor to perform
8 regulated trade work under the contractor's license, and that a
9 contractor may not hire, permit, direct, or contract with a
10 subcontractor to perform specific regulated trade work unless the
11 subcontractor is independently licensed for that trade.

12 The bill provides penalties for enforcement of violations of its
13 provisions, as well as recordkeeping requirements for contractors.

14 Finally, the bill amends the "Public Works Contractor
15 Registration Act" to prohibit a subcontractor from performing
16 specific regulated trade work in the performance of any public work
17 unless licensed for that trade and listed on all required
18 documentation for the bidding and application to perform public
19 work, and a public body and any construction manager subject to a
20 contract for public work is required to verify subcontractor
21 licensing prior to awarding or approving a subcontract.