SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 3405

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 28, 2026

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 3405.

As amended by the committee, this bill establishes minimum qualifications for persons employed through a public works contract.

Any contractor submitting a bid for a contract which is paid for in whole or in part out of the funds of a public body in this State will certify that each employee completing work established in the contract meets at least one of the following qualifications: (1) has graduated from a registered apprenticeship program conforming with the federal standards of apprenticeship for the craft or trade of the journeyperson that are equivalent to those of a US Department of Labor registered apprenticeship program, provided that the craft worker is actively employed in the applicable craft or trade; or (2) has completed four years of documented work as a craft worker that can be verified by their pay records or through sworn statements of the craft worker and the employer or employers for whom the craft worker performed services during the four year period. The qualifications established in this bill will not apply to craft workers who are members of a labor union and are employed by an employer that is signatory to a collective bargaining agreement that is or was the basis for a determination by the Commissioner of Labor and Workforce Development of the prevailing wage or are employed by an employer that is signatory to a collective bargaining agreement with a labor organization recognized under the "National Labor Relations Act," where such agreement provides for participation in one or more jointly administered labor-management trust funds established pursuant to the "Labor Management Relations Act," including apprenticeship, training, pension, health, or other employee benefit plans maintained in accordance with the "Employee Retirement Income Security Act of 1974," regardless of whether such agreement was utilized in determining the prevailing wage.

As amended and reported by the committee, Senate Bill No. 3405 is identical to Assembly Bill No. 4072, which was also amended and reported by the committee on this date.

COMMITTEE AMENDMENTS:

The committee amendments:

(1) remove language that would have required the qualifying apprenticeship program to be sponsored by a labor union or jointly sponsored with a labor union and an employer association, provided that the labor union is signatory to a collective bargaining agreement that is or was the basis for a determination by the commissioner of the "prevailing wage";

(2) specify, instead, a requirement that the craft worker is actively employed in the applicable craft or trade;

(3) include in the exemption from certain qualifications of the bill craft workers who are employed by an employer that is signatory to a collective bargaining agreement with a labor organization recognized under the "National Labor Relations Act," where such agreement provides for participation in one or more jointly administered labor-management trust funds established pursuant to the "Labor Management Relations Act," including apprenticeship, training, pension, health, or other employee benefit plans maintained in accordance with the "Employee Retirement Income Security Act of 1974," regardless of whether such agreement was utilized in determining the prevailing wage; and

(4) delay the effective date of the bill from 90 days after the date of enactment to one year after the date of enactment.

FISCAL IMPACT:

This bill has not been certified as requiring a fiscal note.