

ASSEMBLY, No. 3666

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED MARCH 13, 2018

Sponsored by:

Assemblyman WAYNE P. DEANGELO
District 14 (Mercer and Middlesex)

Co-Sponsored by:

Assemblywoman Lopez

SYNOPSIS

Requires certain workers subject to prevailing wage requirements to be enrolled in, or have completed, registered apprenticeship.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 4/6/2018)

1 AN ACT concerning prevailing wage and amending P.L.1963, c.150.

2

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

5

6 1. Section 2 of P.L.1963, c.150 (C.34:11-56.26) is amended to
7 read as follows:

8 2. As used in this act:

9 (1) "Department" means the Department of Labor and
10 Workforce Development of the State of New Jersey.

11 (2) "Locality" means any political subdivision of the State,
12 combination of the same or parts thereof, or any geographical area
13 or areas classified, designated and fixed by the commissioner from
14 time to time, provided that in determining the "locality," the
15 commissioner shall be guided by the boundary lines of political
16 subdivisions or parts thereof, or by a consideration of the areas with
17 respect to which it has been the practice of employers of particular
18 crafts or trades to engage in collective bargaining with the
19 representatives of workers in such craft or trade.

20 (3) "Maintenance work" means the repair of existing facilities
21 when the size, type or extent of such facilities is not thereby
22 changed or increased. "Maintenance work" also means any work on
23 a maintenance-related project that exceeds the scope of work and
24 capabilities of in-house maintenance personnel, requires the
25 solicitation of bids, and has an aggregate value exceeding \$50,000.

26 (4) "Public body" means the State of New Jersey, any of its
27 political subdivisions, any authority created by the Legislature of
28 the State of New Jersey and any instrumentality or agency of the
29 State of New Jersey or of any of its political subdivisions.

30 (5) "Public work" means construction, reconstruction,
31 demolition, alteration, custom fabrication, or repair work, or
32 maintenance work, including painting and decorating, done under
33 contract and paid for in whole or in part out of the funds of a public
34 body, except work performed under a rehabilitation program.
35 "Public work" shall also mean construction, reconstruction,
36 demolition, alteration, custom fabrication, or repair work, done on
37 any property or premises, whether or not the work is paid for from
38 public funds, if, at the time of the entering into of the contract the
39 property or premises is owned by the public body or:

40 (a) Not less than 55% of the property or premises is leased by a
41 public body, or is subject to an agreement to be subsequently leased
42 by the public body; and

43 (b) The portion of the property or premises that is leased or
44 subject to an agreement to be subsequently leased by the public
45 body measures more than 20,000 square feet.

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 (6) "Commissioner" means the Commissioner of Labor and
2 Workforce Development or his duly authorized representatives.

3 (7) "Workman" or "worker" includes laborer, mechanic, skilled
4 or semi-skilled, laborer and apprentices or helpers employed by any
5 contractor or subcontractor and engaged in the performance of
6 services directly upon a public work, regardless of whether their
7 work becomes a component part thereof, but does not include
8 material suppliers or their employees who do not perform services
9 at the job site. For the purpose of P.L.1963, c.150 (C.34:11-56.25
10 et seq.), contractors or subcontractors engaged in custom fabrication
11 shall not be regarded as material suppliers.

12 (8) "Work performed under a rehabilitation program" means
13 work arranged by and at a State institution primarily for teaching
14 and upgrading the skills and employment opportunities of the
15 inmates of such institutions.

16 (9) "Prevailing wage" means the wage rate paid by virtue of
17 collective bargaining agreements by employers employing a
18 majority of workers of that craft or trade subject to said collective
19 bargaining agreements, in the locality in which the public work is
20 done.

21 (10) "Act" means the provisions of P.L.1963, c.150 (C.34:11-
22 56.25 et seq.) and the rules and regulations issued hereunder.

23 (11) "Prevailing wage contract threshold amount" means:

24 (a) In the case of any public work paid for in whole or in part
25 out of the funds of a municipality in the State of New Jersey or
26 done on property or premises owned by a public body or leased or
27 to be leased by the municipality, the dollar amount established for
28 the then current calendar year by the commissioner through rules
29 and regulations promulgated pursuant to the "Administrative
30 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), which
31 amount shall be equal to \$9,850 on July 1, 1994 and which amount
32 shall be adjusted on July 1 every five calendar years thereafter in
33 direct proportion to the rise or fall in the average of the Consumer
34 Price Indices for Urban Wage Earners and Clerical Workers for the
35 New York metropolitan and the Philadelphia metropolitan regions
36 as reported by the United States Department of Labor during the
37 last full calendar year preceding the date upon which the adjustment
38 is made; and

39 (b) In the case of any public work other than a public work
40 described in paragraph (a) of this subsection, an amount equal to
41 \$2,000.

42 (12) "Custom fabrication" means the fabrication of plumbing,
43 heating, cooling, ventilation or exhaust duct systems, and
44 mechanical insulation.

45 (13) "Registered apprenticeship program" means an
46 apprenticeship program which is registered with and approved by
47 the United States Department of Labor and which provides each
48 trainee with combined classroom and on-the-job training under the

1 direct and close supervision of a highly skilled worker in an
2 occupation recognized as an apprenticeable trade and meets the
3 program performance standards of enrollment and graduation under
4 29 C.F.R. Part 29, section 29.6.

5 (cf: P.L.2009, c.249)

6
7 2. Section 3 of P.L.1963, c.150 (C.34:11-56.27) is amended to
8 read as follows:

9 3. a. Every contract in excess of the prevailing wage contract
10 threshold amount for any public work to which any public body is a
11 party or for public work to be done on property or premises owned by
12 a public body or leased or to be leased by a public body shall contain a
13 provision stating the prevailing wage rate which can be paid (as shall
14 be designated by the commissioner) to the workers employed in the
15 performance of the contract and the contract shall contain a stipulation
16 that such workers shall be paid not less than such prevailing wage rate.
17 Such contract shall also contain a provision that in the event it is found
18 that any worker, employed by the contractor or any subcontractor
19 covered by said contract, has been paid a rate of wages less than the
20 prevailing wage required to be paid by such contract, the public body,
21 the lessee to whom the public body is leasing a property or premises or
22 the lessor from whom the public body is leasing or will be leasing a
23 property or premises may terminate the contractor's or subcontractor's
24 right to proceed with the work, or such part of the work as to which
25 there has been a failure to pay required wages and to prosecute the
26 work to completion or otherwise. The contractor and his sureties shall
27 be liable for any excess costs occasioned thereby to the public body,
28 any lessee to whom the public body is leasing a property or premises
29 or any lessor from whom the public body is leasing or will be leasing a
30 property or premises.

31 b. Every contract subject to the provisions of subsection a. of this
32 section shall provide that every worker employed in the performance
33 of that contract is an apprentice participating in a registered
34 apprenticeship program or has completed a registered apprenticeship,
35 unless the contractor or subcontractor certifies that those workers shall
36 be paid not less than the journeyworker's rate established for the
37 apprenticeable trade performed pursuant to P.L.1963, c.150 (C.34:11-
38 56.25 et seq.).

39 (cf: P.L.2007, c.68, s.2)

40
41 3. This act shall take effect immediately.

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44 STATEMENT

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46 This bill requires every contract subject to State prevailing wage
47 requirements to require each worker employed under the contract to
48 be enrolled in, or have completed, a registered apprenticeship,

A3666 DEANGELO

1 unless the contractor or subcontractor certifies that the worker is
2 paid not less than the journeyworker wage rate.
3 Under the bill, a “registered apprenticeship program” is an
4 apprenticeship program which is registered with and approved by
5 the United States Department of Labor and which provides each
6 trainee with combined classroom and on-the-job training under the
7 direct and close supervision of a highly skilled worker in an
8 occupation recognized as an apprenticeable trade and meets the
9 program performance standards of enrollment and graduation under
10 29 C.F.R. Part 29, section 29.6.