

ASSEMBLY, No. 950

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman ROBERT J. KARABINCHAK

District 18 (Middlesex)

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District 14 (Mercer and Middlesex)

SYNOPSIS

Establishes three-year study on impact of minimum wage increases on businesses.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** establishing a three-year study on the impact of minimum
2 wage increases on businesses.

3

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

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7 1. a. There is established, in but not of the Department of
8 Labor and Workforce Development, the “Task Force on Wages and
9 Business Viability.” The task force shall consist of 11 members,
10 including the Commissioners of Health, Human Services,
11 Education, Community Affairs, and Labor and Workforce
12 Development, and the State Treasurer, or their designees, all who
13 shall serve ex officio, and five public members appointed by the
14 Governor with the advice and consent of the Senate as follows: four
15 persons nominated by an organization which represents the interests
16 of the business community in this State and one person nominated
17 by the New Jersey State AFL-CIO. All members shall serve for the
18 duration of the task force, which shall terminate upon the expiration
19 of four years following the date of establishment of the task force.
20 Any public member of the task force may be removed from office
21 by the Governor, for cause, upon notice and opportunity to be
22 heard. Vacancies shall be filled in the same manner as the original
23 appointment for the balance of the unexpired term. A member shall
24 continue to serve upon the expiration of the member’s term until a
25 successor is appointed and qualified, unless the member is removed
26 by the Governor.

27 b. Action may be taken by the task force by an affirmative vote
28 of a majority of its members and a majority of the task force shall
29 constitute a quorum for the transaction of any business, for the
30 performance of any duty, or for the exercise of any power of the
31 task force. Members of the task force shall serve without
32 compensation, but may be reimbursed for the actual and necessary
33 expenses incurred in the performance of their duties as members of
34 the task force within the limits of funds appropriated or otherwise
35 made available for that purpose.

36 c. The task force shall conduct a three-year impact study to
37 evaluate how changes in required minimum wage levels pursuant to
38 section 5 of P.L.1966, c.113 (C.34:11-56a4) as amended by
39 P.L.2019, c.32, may affect the business community in the State,
40 including the ability of businesses to maintain and increase
41 employment levels, the necessity of businesses to reduce hours of
42 employees, any transition of a service provided by an employee of a
43 business to an automated system, any change in profits of
44 businesses, any increase or decrease in businesses terminating
45 operations, any increase or decrease in businesses commencing
46 operations, and any other information as may be relevant to the
47 viability of businesses in the State. The task force shall produce
48 annual reports of its findings, making cumulative findings over the

1 course of its study, which shall include any recommendations the
2 task force deems appropriate for adjustments to the minimum wage
3 increases, to ensure that the minimum wage increases do not impact
4 the business community in a manner that would result in an overall
5 net detriment to the State and its residents.

6 d. The task force may hold public meetings or hearings within
7 the State and call to its assistance and avail itself of the services of
8 the employees of any other State department, board, or agency
9 which the task force determines possesses relevant data, analytical
10 and professional expertise or other resources which may assist the
11 task force in discharging its duties under this section. Each
12 department, board, or agency of this State is hereby directed, to the
13 extent not inconsistent with law, to cooperate fully with the task
14 force and to furnish such information and assistance as is necessary
15 to accomplish the purposes of this section.

16 e. The task force shall issue its first annual report to the
17 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
18 19.1), to the Legislature, not later than December 31, 2019, and
19 make the report available to the public by means including the
20 posting of the report on the web sites of all of the State departments
21 represented on the task force. The task force shall issue two
22 subsequent annual reports and make those reports available to the
23 public not later than December 31 of each respective subsequent
24 year, each of which shall include a cumulative review of all
25 information gathered by the task force, together with an evaluation
26 of the cumulative efficacy of minimum wage increases on creating
27 an overall net benefit for the State and its residents by considering
28 whether the increases negatively impact the viability of the business
29 community in the State.

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31 2. This act shall take effect immediately.
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34 STATEMENT 35

36 This bill would establish the “Task Force on Wages and Business
37 Viability” in the Department of Labor and Workforce Development.
38 The purpose of the task force is to evaluate how changes in required
39 minimum wage levels may affect the business community in the
40 State, including the ability of businesses to maintain and increase
41 employment levels, the necessity of businesses to reduce hours of
42 employees, any transition of a service provided by an employee of a
43 business to an automated system, any change in profits of
44 businesses, any increase or decrease in businesses terminating
45 operations or commencing operations, and any other information as
46 may be relevant to the viability of businesses in the State.

47 The task force will consist of 11 members, including the
48 Commissioners of Health, Human Services, Education, Community

1 Affairs, and Labor and Workforce Development, and the State
2 Treasurer, or their designees, all who shall serve ex officio, and five
3 public members appointed by the Governor with the advice and
4 consent of the Senate. The five public members will be appointed as
5 follows: four persons nominated by an organization which
6 represents the interests of the business community in this State and
7 one person nominated by the New Jersey State AFL-CIO.

8 The task force is required to issue its first annual report to the
9 Governor and the Legislature by December 31, 2019, and make the
10 report available to the public, by means including posting on the
11 websites of the departments represented on the task force. The task
12 force is required to issue each of two subsequent annual reports by
13 December 31 of each subsequent respective year, each of which
14 will include a cumulative review of all information gathered by the
15 task force.