

ASSEMBLY, No. 2263

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman EDWARD H. THOMSON

District 30 (Monmouth and Ocean)

Assemblyman JON M. BRAMNICK

District 21 (Morris, Somerset and Union)

SYNOPSIS

Establishes training wage.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT establishing a training wage and amending P.L.1966,
2 c.113.

3

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

6

7 1. Section 5 of P.L.1966, c.113 (C.34:11-56a4) is amended to
8 read as follows:

9 5. Every employer shall pay to each of his employees wages at
10 a rate of not less than \$5.05 per hour as of April 1, 1992 and, after
11 January 1, 1999 the federal minimum hourly wage rate set by
12 section 6(a)(1) of the federal "Fair Labor Standards Act of 1938"
13 (29 U.S.C. s.206(a)(1)), and, as of October 1, 2005, \$6.15 per hour,
14 and as of October 1, 2006, \$7.15 per hour for 40 hours of working
15 time in any week and 1 1/2 times such employee's regular hourly
16 wage for each hour of working time in excess of 40 hours in any
17 week, except this overtime rate shall not include any individual
18 employed in a bona fide executive, administrative, or professional
19 capacity or, if an applicable wage order has been issued by the
20 commissioner under section 17 (C.34:11-56a16) of this act, not less
21 than the wages prescribed in said order. The wage rates fixed in
22 this section shall not be applicable to part-time employees primarily
23 engaged in the care and tending of children in the home of the
24 employer, to persons under the age of 18 not possessing a special
25 vocational school graduate permit issued pursuant to section 15 of
26 P.L.1940, c.153 (C.34:2-21.15), or to persons employed as
27 salesmen of motor vehicles, or to persons employed as outside
28 salesmen as such terms shall be defined and delimited in regulations
29 adopted by the commissioner, or to persons employed in a volunteer
30 capacity and receiving only incidental benefits at a county or other
31 agricultural fair by a nonprofit or religious corporation or a
32 nonprofit or religious association which conducts or participates in
33 that fair.

34 The provisions of this section for the payment to an employee of
35 not less than 1 1/2 times such employee's regular hourly rate for
36 each hour of working time in excess of 40 hours in any week shall
37 not apply to employees engaged to labor on a farm or employed in a
38 hotel or to an employee of a common carrier of passengers by motor
39 bus or to a limousine driver who is an employee of an employer
40 engaged in the business of operating limousines or to employees
41 engaged in labor relative to the raising or care of livestock.

42 Employees engaged on a piece-rate or regular hourly rate basis to
43 labor on a farm shall be paid for each day worked not less than the
44 minimum hourly wage rate multiplied by the total number of hours
45 worked.

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 Full-time students may be employed by the college or university
2 at which they are enrolled at not less than 85% of the effective
3 minimum wage rate.

4 Commencing July 1, 2009, a training wage of not less than 85%
5 of the effective minimum wage rate may be paid to an employee
6 above the age of 15 years old and under the age of 21 years old who
7 is enrolled in an established employer on-the-job or other training
8 program which meets standards set by regulations adopted by the
9 commissioner. The period during which an employer may pay the
10 training wage to the employee shall not exceed 90 days, and no
11 employee may work for more than two employers paying the
12 training wage rate during any one-year period. No employer shall
13 utilize any employee paid the training wage in a manner which
14 causes, induces, encourages or assists any displacement or partial
15 displacement of any currently employed worker, including any
16 previous recipient of the training wage, by reducing hours of a
17 currently employed worker, replacing a current or laid off employee
18 with a trainee, or by relocating operations resulting in a loss of
19 employment at a previous workplace, or in a manner which
20 replaces, supplants, competes with or duplicates any approved
21 apprenticeship program. An employer who pays an employee a
22 training wage shall make a good faith effort to continue to employ
23 the employee after the period of the training wage expires and shall
24 not hire an employee at the training wage unless there is a
25 reasonable expectation that there will be regular employment,
26 paying at or above the effective minimum wage, for the trainee
27 upon the successful completion of the period of the training wage.
28 If the commissioner determines that an employer has made
29 repeated, knowing violations of the provisions of this section
30 regarding the payment of a training wage, the commissioner may
31 suspend the employer's right to pay a training wage for a period set
32 pursuant to regulations adopted by the commissioner, but not more
33 than three years.

34 Notwithstanding the provisions of this section to the contrary,
35 every trucking industry employer shall pay to all drivers, helpers,
36 loaders and mechanics for whom the Secretary of Transportation
37 may prescribe maximum hours of work for the safe operation of
38 vehicles, pursuant to section 31502(b) of the federal Motor Carrier
39 Act, 49 U.S.C.s.31502(b), an overtime rate not less than 1 1/2 times
40 the minimum wage required pursuant to this section and N.J.A.C.
41 12:56-3.1. Employees engaged in the trucking industry shall be
42 paid no less than the minimum wage rate as provided in this section
43 and N.J.A.C. 12:56-3.1. As used in this section, "trucking industry
44 employer" means any business or establishment primarily operating
45 for the purpose of conveying property from one place to another by
46 road or highway, including the storage and warehousing of goods
47 and property. Such an employer shall also be subject to the
48 jurisdiction of the Secretary of Transportation pursuant to the

1 federal Motor Carrier Act, 49 U.S.C.s.31501 et seq., whose
2 employees are exempt under section 213(b)(1) of the federal "Fair
3 Labor Standards Act of 1938," 29 U.S.C. s.213(b)(1), which
4 provides an exemption to employees regulated by section 207 of the
5 federal "Fair Labor Standards Act of 1938," 29 U.S.C.s.207, and the
6 Interstate Commerce Act, 49 U.S.C.s.501 et al.

7 The provisions of this section shall not be construed as
8 prohibiting any political subdivision of the State from adopting an
9 ordinance, resolution, regulation or rule, or entering into any
10 agreement, establishing any standard for vendors, contractors and
11 subcontractors of the subdivision regarding wage rates or overtime
12 compensation which is higher than the standards provided for in
13 this section, and no provision of any other State or federal law
14 establishing a minimum standard regarding wages or other terms
15 and conditions of employment shall be construed as preventing a
16 political subdivision of the State from adopting an ordinance,
17 resolution, regulation or rule, or entering into any agreement,
18 establishing a standard for vendors, contractors and subcontractors
19 of the subdivision which is higher than the State or federal law or
20 which otherwise provides greater protections or rights to employees
21 of the vendors, contractors and subcontractors of the subdivision,
22 unless the State or federal law expressly prohibits the subdivision
23 from adopting the ordinance, resolution, regulation or rule, or
24 entering into the agreement.

25 (cf: P.L.2005, c.70, s.1)

26
27 2. This act shall take effect immediately.

30 STATEMENT

31
32 This bill establishes a training wage of 85% of the effective
33 minimum wage. Employers would be permitted to pay the training
34 wage to an employee over the age of 15 and under the age of 21
35 who is enrolled in an established employer on-the-job or other
36 training program. No employer would be permitted to pay the
37 training wage to an employee for longer than 90 days or utilize
38 employees paid the training wage in a manner which causes,
39 induces, encourages or assists any displacement or partial
40 displacement of currently employed workers, including previous
41 recipients of the training wage, by means such as reduced hours of
42 currently employed workers, replacement of current employees or
43 laid off employees by trainees; or a relocation of operations
44 resulting in a loss of employment at a previous workplace, or in a
45 manner which replaces, supplants, competes with or duplicates any
46 approved apprenticeship program. An employee is permitted to
47 work for no more than two employers paying the training wage
48 during any one year period. The bill requires an employer who

1 pays an employee a training wage to make a good faith effort to
2 continue to employ the employee after the period of the training
3 wage expires and not to hire an employee at the training wage
4 unless there is a reasonable expectation that there will be regular
5 employment, paying at or above the effective minimum wage, for
6 the trainee upon the successful completion of the period of the
7 training wage. If the Commissioner of Labor and Workforce
8 Development determines that an employer has made repeated,
9 knowing violations of the requirements of the bill regarding the
10 payment of a training wage, the commissioner may suspend the
11 employer's right to pay a training wage for a period set pursuant to
12 regulations adopted by the commissioner, but not longer than three
13 years.