

ASSEMBLY, No. 2628

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:

Assemblywoman CAROL A. MURPHY

District 7 (Burlington)

Co-Sponsored by:

Assemblymen Egan, Tully and Assemblywoman Swain

SYNOPSIS

Concerns labor contractors.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/21/2021)

1 **AN ACT** concerning labor contractors and supplementing Title 34 of
2 the Revised Statutes.

3

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

6

7 1. As used in this act:

8 “Client employer” means a business entity in the construction
9 industry, regardless of its form, that obtains or is provided workers,
10 directly from a labor contractor or indirectly from a subcontractor,
11 to perform labor or services in the construction industry and within
12 its usual course of business, but does not include a client employer
13 employing workers pursuant to a collective bargaining agreement.

14 “Commissioner” means the Commissioner of Labor and
15 Workforce Development.

16 “Labor contractor” means any individual , consulting firm, or
17 other entity that supplies, either directly or indirectly, a client
18 employer with workers to perform labor or services in the
19 construction industry and within the client employer’s usual course
20 of business, except that “labor contractor” does not include a
21 contractor employing workers pursuant to a collective bargaining
22 agreement, a bona fide labor organization or apprenticeship
23 program, or a hiring hall operated pursuant to a collective
24 bargaining agreement.

25 “Usual course of business” means the regular and customary
26 work of a business, performed within or upon the premises or
27 worksite of the client employer, or any other place of business of
28 the client employer for which services or labor are performed.

29

30 2. a. Any labor contractor that provides workers to a client
31 employer in the construction industry shall:

32 (1) certify that the labor contractor has not charged recruitment
33 fees to the workers;

34 (2) certify that the contractor is in compliance with all State and
35 federal labor laws and regulations applicable to the contractor,
36 including laws concerning wages, unemployment and temporary
37 disability insurance, workers' compensation insurance, workplace
38 safety and health, and the payment of payroll taxes; and

39 (3) certify that the owner or owners, and any employee of the
40 labor contractor entity engaged in providing workers to client
41 employers, have had criminal background checks in compliance
42 with standards promulgated by the commissioner.

43 b. All certifications required by this act shall, in compliance
44 with standards promulgated by the commissioner, be kept in written
45 form on file by the contractor for not less than three years after the
46 period of time to which they apply and be provided to the
47 commissioner upon request, and provided to any client employer to
48 whom the contractor provides workers at the time that the workers

1 are provided. The client employer shall also keep the written
2 certifications on file for a period of not less than three years after
3 the period to which they apply and provide them to the
4 commissioner upon request.

5
6 3. Any labor contractor or client employer who violates this act
7 shall be subject to a civil penalty in an amount not to exceed \$1,000
8 per worker supplied to a client employer by the labor contractor for
9 the first violation, \$5,000 per worker supplied to a client employer
10 by the labor contractor for the second violation and \$10,000 per
11 worker supplied to a client employer by the labor contractor for
12 each subsequent violation, collectible by the commissioner in a
13 summary proceeding pursuant to the "Penalty Enforcement Law of
14 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). Each worker that a
15 labor contractor supplies to a client employer without complying
16 with the certification requirements of this act shall constitute a
17 separate violation. Each worker that a client employer obtains from
18 a labor contractor without obtaining certification from the
19 contractor as required by this act shall constitute a separate
20 violation.

21
22 4. This act shall take effect immediately.

23 24 25 STATEMENT

26
27 The bill requires any labor contractor, including a consulting
28 firm, that provides workers in the construction industry to a client
29 employer to certify that:

30 1. the contractor has not charged recruitment fees to the
31 workers;

32 2. the contractor is in compliance with all applicable State and
33 federal labor laws and regulations; and

34 3. the owners and all employees of the labor contractor
35 engaged in providing workers to client employers have had criminal
36 background checks.

37 The bill requires that all of the certifications be kept on file by
38 the contractor for not less than three years after the period of time to
39 which they apply, be provided to the Commissioner of Labor and
40 Workforce Development upon request, and be provided to any
41 client employer to whom the contractor provides workers at the
42 time that the workers are provided. The client employer is also
43 required to keep the certifications on file and provide them to the
44 commissioner upon request.

45 The bill does not apply to labor contractors or client firms
46 employing workers pursuant to a collective bargaining agreement.

47 The bill provides that a labor contractor or client firm who
48 violates the bill is subject to a civil penalty in an amount not to

1 exceed \$1,000 per worker supplied for the first violation, \$5,000
2 per worker for the second violation and \$10,000 per worker for each
3 subsequent violation, collectible by the commissioner in a summary
4 proceeding. Each worker that a labor contractor supplies to a client
5 employer without complying with the certification requirements of
6 this bill shall constitute a separate violation. Each worker that a
7 client employer obtains from a labor contractor without obtaining
8 certification from the contractor as required by this act shall
9 constitute a separate violation.