

ASSEMBLY, No. 5003

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED NOVEMBER 19, 2020

Sponsored by:

Assemblywoman LINDA S. CARTER

District 22 (Middlesex, Somerset and Union)

Assemblyman ANTHONY S. VERRELLI

District 15 (Hunterdon and Mercer)

SYNOPSIS

Imposes administrative fees on certain out-of-State contractors.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 11/19/2020)

1 AN ACT imposing administrative fees on certain out-of-State
2 contractors, and supplementing chapter 11 of Title 34 of the
3 Revised Statutes.

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

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8 1. a. As used in this section:

9 “Contractor” means a person, partnership, association, joint
10 stock company, trust, corporation, or other legal business entity or
11 successor thereof who enters into a contract which is subject to the
12 provisions of the New Jersey Prevailing Wage Act, P.L.1963, c.150
13 (C.34:11-56.25 et seq.) and “The Public Works Contractor
14 Registration Act,” P.L.1999, c.238 (C.34:11-56.48), and includes
15 any subcontractor or lower tier subcontractor of a contractor.

16 “Out-of-State contractor” means a contractor, including a
17 subcontractor, whose principal place of business is not in this State.
18 A “principal place of business” shall not include a satellite office,
19 an office maintained, occupied, and used by an out-of-State
20 contractor only for the duration of a contract, or an office
21 maintained, occupied, and used by a person affiliated with an out-
22 of-State contractor.

23 b. Beginning on the effective date of P.L. , c. (C.),
24 there is imposed an administrative fee equal to one percent of the
25 total value of any contract awarded to an out-of-State contractor
26 that is subject to the provisions of the New Jersey Prevailing Wage
27 Act, P.L.1963, c.150 (C.34:11-56.25 et seq.) and “The Public
28 Works Contractor Registration Act,” P.L.1999, c.238 (C.34:11-
29 56.48). The administrative fee imposed pursuant to this section
30 shall be paid to the State Treasurer for deposit in the General Fund.
31 An out-of-State contractor may subtract from the total amount of
32 the administrative fee otherwise due pursuant to this subsection b.,
33 any direct costs attributable to other State fees paid by the out-of-
34 State contractor to register to do business as a contractor in this
35 State and in order to perform the contract.

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37 2. This act shall take effect immediately and apply to contracts
38 awarded following the date of enactment.

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STATEMENT

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43 This bill imposes an administrative fee equal to one percent of
44 any contract awarded to an out-of-State contractor that is subject to
45 the provisions of the New Jersey Prevailing Wage Act, P.L.1963,
46 c.150 (C.34:11-56.25 et seq.) and “The Public Works Contractor
47 Registration Act,” P.L.1999, c.238 (C.34:11-56.48). The bill allows
48 an out-of-State contractor to subtract the costs of other State

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- 1 business registration fees, paid by the out of-State contractor, from
- 2 the total amount of the administrative fee otherwise due. The
- 3 administrative fee imposed pursuant to the bill is to be paid to the
- 4 State Treasurer for deposit in the General Fund.