

(CORRECTED COPY)
P.L. 2020, CHAPTER 65, *approved August 13, 2020*
Senate, No. 972 (*First Reprint*)

1 **AN ACT** concerning a skilled and trained workforce in construction
2 work by contractors in certain high-risk chemical manufacturing
3 and processing facilities and supplementing article 2B of chapter
4 11 of Title 34 of the Revised Statutes.
5
6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
7 *of New Jersey:*
8
9 1. The Legislature finds and declares that:
10 a. The use of unskilled and untrained workers at chemical
11 manufacturing and processing facilities that generate, store, treat,
12 handle, refine, process, and transport hazardous materials is a risk
13 to public health and safety, and the risk to public health and safety
14 is particularly high when workers are employed by outside
15 contractors because they generally are less familiar with the
16 operations of the facility and its emergency plans and the owner or
17 operator of the facility has less incentive to invest in their training.
18 b. Requiring that workers employed by outside contractors at
19 these facilities be paid at least at a rate equivalent to the prevailing
20 journeyperson wage for their occupations, or be registered in
21 approved apprenticeship programs, is necessary to provide an
22 economic incentive for employers to use only the most skilled
23 workers to perform work that poses a risk to public health and
24 safety. The wage scale is also necessary to provide an economic
25 incentive for the workers to obtain the mandatory advanced safety
26 training required by section 3 of P.L. , c. (C.) (pending before
27 the Legislature as this bill).
28 c. Requiring that apprentices be registered in approved
29 advanced safety training is necessary to ensure that these workers
30 are receiving the proper training and on-the-job supervision and that
31 the programs are subject to proper oversight.
32 d. The requirement that at least 60 percent of the
33 journeypersons working for a contractor be graduates of an
34 approved apprenticeship program is necessary to ensure that the
35 majority of the journeypersons will have had appropriate classroom
36 and laboratory instruction for their occupations. A phase-in for this
37 requirement will avoid disruption of the industry.

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.
Matter enclosed in superscript numerals has been adopted as follows:
¹Assembly ALA committee amendments adopted June 15, 2020.

1 2. As used in this act:

2 "Apprenticeship program" means a registered apprenticeship
3 program providing to each trainee combined classroom and on-the-
4 job training under the direct and close supervision of a highly
5 skilled worker in an occupation recognized as an apprenticeable
6 trade, registered by the Office of Apprenticeship of the U.S.
7 Department of Labor.

8 "Approved advanced safety training for workers at high hazard
9 facilities" means a curriculum approved by the State Office of
10 Apprenticeship pursuant to section 4 of this act.

11 "Labor organization" means an organization which represents,
12 for purposes of collective bargaining, employees of contractors or
13 subcontractors engaged in contracting subject to the provisions of
14 subsection a. of section 3 of P.L. , c. (C.) (pending before
15 the Legislature as this bill), and has the present ability to refer,
16 provide or represent ¹a¹ sufficient number of qualified employees to
17 perform the contracted work in a manner consistent with the
18 provisions of P.L. , c. (C.) (pending before the Legislature
19 as this bill) and a plan mutually agreed upon by the labor
20 organization and the owner or operator.

21 ¹"OEM" means original equipment manufacturer and refers to
22 organizations who manufacture or fabricate equipment for sale
23 directly to purchasers or other resellers.¹

24 "Prevailing hourly wage rate" means the prevailing hourly wage
25 rate set for the applicable occupation and geographic area pursuant
26 to the "New Jersey Prevailing Wage Act," P.L.1963, c.150
27 (C.34:11-56.25 et seq.).

28 "Registered apprentice" means an apprentice registered in an
29 apprenticeship program who is performing work covered by the
30 standards of that apprenticeship program and receiving the
31 supervision required by the standards of that apprenticeship
32 program.

33 "Skilled journeyperson" means a worker who:

34 a. Has either graduated from an apprenticeship program for the
35 applicable occupation, or has at least as many hours of on-the-job
36 experience in the applicable occupation as would be required to
37 graduate from an apprenticeship program for the applicable
38 occupation; and

39 b. Has completed within the prior two calendar years at least
40 20 hours of approved advanced safety training for workers at high
41 hazard facilities, including approved advanced safety training that
42 occurred in an approved apprenticeship program. This requirement
43 shall apply only to work performed on or after January 1, 2025.

44 "Skilled and trained workforce" means a workforce that meets
45 all of the following criteria:

46 a. ¹(1)¹ All the workers shall, as of January 1, 2021, be paid
47 ¹at least 80 percent of¹ the applicable prevailing hourly wage rate,

1 and shall be either registered apprentices or skilled journeypersons;
2 ¹~~and~~

3 (2) All the workers shall, as of January 1, 2022, be paid at least
4 85 percent of the applicable prevailing hourly wage rate, and shall
5 be either registered apprentices or skilled journeypersons;

6 (3) All the workers shall, as of January 1, 2023, be paid at least
7 90 percent of the applicable prevailing hourly wage rate, and shall
8 be either registered apprentices or skilled journeypersons; and

9 (4) All the workers shall, as of January 1, 2024, be paid the
10 applicable prevailing hourly wage rate, and shall be either
11 registered apprentices or skilled journeypersons.¹

12 b. All the workers have, as of January 1, 2025, completed
13 within the prior two calendar years at least 20 hours of approved
14 advanced safety training for workers at high hazard facilities.

15 c. (1) As of January 1, 2021, at least 30 percent of the skilled
16 journeypersons shall be graduates of an apprenticeship program for
17 the applicable occupation.

18 (2) As of January 1, 2022, at least ¹~~45~~ 40¹ percent of the
19 skilled journeypersons shall be graduates of an apprenticeship
20 program for the applicable occupation.

21 (3) As of January 1, 2023, at least ¹~~60~~ 50¹ percent of the
22 skilled journeypersons shall be graduates of an apprenticeship
23 program for the applicable occupation ¹~~1~~¹.

24 (4) ¹As of January 1, 2024, at least 60 percent of the skilled
25 journeypersons shall be graduates of an apprenticeship program for
26 the applicable occupation.

27 (5)¹ As of January 1, 2025, all of the workers shall have
28 completed within the prior two calendar years at least 20 hours of
29 approved advanced safety training for workers at high hazard
30 facilities,

31 except that the requirements of this subsection c. shall not apply
32 to the extent that the contractor requests qualified workers from a
33 labor organization that refers or provides qualified workers, but the
34 organization is unable to refer or provide sufficient qualified
35 workers within 48 hours of the request, Saturdays, Sundays, and
36 Holidays excepted, and shall not apply to the extent that compliance
37 is impracticable because an emergency requires immediate action to
38 prevent harm to public health or safety or to the environment, but
39 the criteria shall again apply as soon as the emergency is over or it
40 becomes practicable for contractors to obtain a qualified workforce.

41 “State Office of Apprenticeship” means the Office of
42 Apprenticeship in the State Department of Labor and Workforce
43 Development. “The State Office of Apprenticeship” does not mean
44 the Office of Apprenticeship in the United States Department of
45 Labor.

1 3. a. An owner or operator of a stationary source that is
2 engaged in activities described in Code 324110, 325110, 325180, or
3 325199 of the North American Industry Classification System, as
4 that code read on January 1, 2017, and has one or more covered
5 processes for which the owner or operator is required to prepare and
6 submit a Risk Management Plan, shall, when contracting with
7 outside contractors for the performance of construction, alteration,
8 demolition, installation, repair, or maintenance work at the
9 stationary source, require that the contractors performing the work,
10 and any subcontractors of the contractors, use a skilled and trained
11 workforce to perform all onsite work which is in an apprenticeable
12 occupation in the building and construction trades. The
13 requirement to use a skilled and trained workforce shall apply to the
14 onsite workforce of each contractor and subcontractor.

15 b. This section shall not apply to:

16 (1) Oil and gas extraction operations, and shall not apply to any
17 contract awarded before January 1, 2021, unless the contract is
18 extended or renewed after that date, and shall not apply to the
19 employees of the owner or operator of the stationary source, or
20 prevent the owner or operator of the stationary source from using its
21 own employees to perform any work that has not been assigned to
22 contractors while the employees of the contractor are present and
23 working; ¹~~or~~¹

24 (2) Any owner or operator, or contractor or subcontractor of the
25 owner or operator, who has entered into a project labor agreement
26 ¹~~or collectively bargained maintenance agreement~~¹ with labor
27 organizations with registered apprenticeship programs, if all
28 contracted work at the facility or site subject to the provisions of
29 this section is also subject to the provisions of the project labor
30 agreement ¹~~or collectively bargained maintenance agreement~~; or

31 (3) Contractors or subcontractors hired to perform OEM work
32 for purposes of compliance with equipment warranty requirements¹.

33
34 4. The State Office of Apprenticeship, in consultation with the
35 Department of Environmental Protection and the Commission on
36 Higher Education, shall approve a curriculum of in-person
37 classroom and laboratory instruction for approved advanced safety
38 training for workers at high hazard facilities. That safety training
39 shall be included in any apprenticeship program for apprentices
40 who will work for contractors or ¹~~subcontractor~~ subcontractors¹
41 at a stationary source subject to the provisions of this act, and shall
42 be made available for employees of the contractors or
43 subcontractors who had become skilled journeypersons before the
44 training was included in their apprenticeship program. ¹The State
45 Office of Apprenticeship shall be empowered to consider existing
46 industry and trade safety programs for compatibility and fulfillment
47 of requirements under this section.¹

1 5. For the purpose of implementing the provisions of sections 1
2 through 4 of P.L. , c. (C.) (pending before the Legislature as
3 this bill), the Commissioner of Labor and Workforce Development
4 shall, and a worker employed in the performance of work subject to
5 this act, the employer of the worker, or any designated
6 representative of the worker or employer may, exercise all rights,
7 powers or duties granted or imposed upon them by P.L.1963, c.150
8 (C.34:11-56.25 et seq.).

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10 6. This act shall take effect on the 120th day following
11 enactment.

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16 Concerns skilled and trained workforce in work by contractors in
17 certain industries.