

**SENATE, No. 972**

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**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

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INTRODUCED JANUARY 27, 2020

**Sponsored by:**

**Senator FRED H. MADDEN, JR.**

**District 4 (Camden and Gloucester)**

**Senator STEPHEN M. SWEENEY**

**District 3 (Cumberland, Gloucester and Salem)**

**SYNOPSIS**

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

**CURRENT VERSION OF TEXT**

As introduced.



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      journeyman 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      journeymen working for a contractor be graduates of an  
34      approved apprenticeship program is necessary to ensure that the  
35      majority of the journeymen 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.

38  
39      2. As used in this act:

40      "Apprenticeship program" means a registered apprenticeship  
41      program providing to each trainee combined classroom and on-the-  
42      job training under the direct and close supervision of a highly  
43      skilled worker in an occupation recognized as an apprenticeable  
44      trade, registered by the Office of Apprenticeship of the U.S.  
45      Department of Labor.

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

1       “Labor organization” means an organization which represents,  
2 for purposes of collective bargaining, employees of contractors or  
3 subcontractors engaged in contracting subject to the provisions of  
4 subsection a. of section 3 of P.L. , c. (C. ) (pending before the  
5 Legislature as this bill), and has the present ability to refer, provide  
6 or represent sufficient number of qualified employees to perform  
7 the contracted work in a manner consistent with the provisions of  
8 P.L. , c. (C. ) (pending before the Legislature as this bill) and  
9 a plan mutually agreed upon by the labor organization and the  
10 owner or operator.

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

15       “Registered apprentice” means an apprentice registered in an  
16 apprenticeship program who is performing work covered by the  
17 standards of that apprenticeship program and receiving the  
18 supervision required by the standards of that apprenticeship  
19 program.

20       “Skilled journeyperson” means a worker who:

21       a. Has either graduated from an apprenticeship program for the  
22 applicable occupation, or has at least as many hours of on-the-job  
23 experience in the applicable occupation as would be required to  
24 graduate from an apprenticeship program for the applicable  
25 occupation; and

26       b. Has completed within the prior two calendar years at least  
27 20 hours of approved advanced safety training for workers at high  
28 hazard facilities, including approved advanced safety training that  
29 occurred in an approved apprenticeship program. This requirement  
30 shall apply only to work performed on or after January 1, 2025.

31       “Skilled and trained workforce” means a workforce that meets  
32 all of the following criteria:

33       a. All the workers shall, as of January 1, 2021, be paid the  
34 applicable prevailing hourly wage rate, and shall be either  
35 registered apprentices or skilled journeypersons; and

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

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

42       (2) As of January 1, 2022, at least 45 percent of the skilled  
43 journeypersons shall be graduates of an apprenticeship program for  
44 the applicable occupation.

45       (3) As of January 1, 2023, at least 60 percent of the skilled  
46 journeypersons shall be graduates of an apprenticeship program for  
47 the applicable occupation,

1 (4) As of January 1, 2025, all of the workers shall have  
2 completed within the prior two calendar years at least 20 hours of  
3 approved advanced safety training for workers at high hazard  
4 facilities,

5 except that the requirements of this subsection c. shall not apply  
6 to the extent that the contractor requests qualified workers from a  
7 labor organization that refers or provides qualified workers, but the  
8 organization is unable to refer or provide sufficient qualified  
9 workers within 48 hours of the request, Saturdays, Sundays, and  
10 Holidays excepted, and shall not apply to the extent that compliance  
11 is impracticable because an emergency requires immediate action to  
12 prevent harm to public health or safety or to the environment, but  
13 the criteria shall again apply as soon as the emergency is over or it  
14 becomes practicable for contractors to obtain a qualified workforce.

15 “State Office of Apprenticeship” means the Office of  
16 Apprenticeship in the State Department of Labor and Workforce  
17 Development. “The State Office of Apprenticeship” does not mean  
18 the Office of Apprenticeship in the United States Department of  
19 Labor.  
20

21 3. a. An owner or operator of a stationary source that is  
22 engaged in activities described in Code 324110, 325110, 325180, or  
23 325199 of the North American Industry Classification System, as  
24 that code read on January 1, 2017, and has one or more covered  
25 processes for which the owner or operator is required to prepare and  
26 submit a Risk Management Plan, shall, when contracting with  
27 outside contractors for the performance of construction, alteration,  
28 demolition, installation, repair, or maintenance work at the  
29 stationary source, require that the contractors performing the work,  
30 and any subcontractors of the contractors, use a skilled and trained  
31 workforce to perform all onsite work which is in an apprenticeable  
32 occupation in the building and construction trades. The  
33 requirement to use a skilled and trained workforce shall apply to the  
34 onsite workforce of each contractor and subcontractor.

35 b. This section shall not apply to:

36 (1) Oil and gas extraction operations, and shall not apply to any  
37 contract awarded before January 1, 2021, unless the contract is  
38 extended or renewed after that date, and shall not apply to the  
39 employees of the owner or operator of the stationary source, or  
40 prevent the owner or operator of the stationary source from using its  
41 own employees to perform any work that has not been assigned to  
42 contractors while the employees of the contractor are present and  
43 working; or

44 (2) Any owner or operator, or contractor or subcontractor of the  
45 owner or operator, who has entered into a project labor agreement  
46 with labor organizations with registered apprenticeship programs, if  
47 all contracted work at the facility or site subject to the provisions of

1 this section is also subject to the provisions of the project labor  
2 agreement.

3  
4 4. The State Office of Apprenticeship, in consultation with the  
5 Department of Environmental Protection and the Commission on  
6 Higher Education, shall approve a curriculum of in-person  
7 classroom and laboratory instruction for approved advanced safety  
8 training for workers at high hazard facilities. That safety training  
9 shall be included in any apprenticeship program for apprentices  
10 who will work for contractors or subcontractor at a stationary  
11 source subject to the provisions of this act, and shall be made  
12 available for employees of the contractors or subcontractors who  
13 had become skilled journeypersons before the training was included  
14 in their apprenticeship program.

15  
16 5. For the purpose of implementing the provisions of sections 1  
17 through 4 of P.L. , c. (C. ) (pending before the Legislature as  
18 this bill), the Commissioner of Labor and Workforce Development  
19 shall, and a worker employed in the performance of work subject to  
20 this act, the employer of the worker, or any designated  
21 representative of the worker or employer may, exercise all rights,  
22 powers or duties granted or imposed upon them by P.L.1963, c.150  
23 (C.34:11-56.25 et seq.).

24  
25 6. This act shall take effect on the 120th day following  
26 enactment.

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## STATEMENT

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31 This bill requires that an owner or operator of a stationary source  
32 in certain high-risk chemical manufacturing and processing  
33 industries, when contracting with outside contractors for the  
34 performance of construction, alteration, demolition, installation,  
35 repair, or maintenance work at the stationary source, must require  
36 that the contractors and subcontractors performing the work use a  
37 skilled and trained workforce to perform all onsite work which is in  
38 an apprenticeable occupation in the building and construction  
39 trades.

40 The industries subject to the requirements of the bill are certain  
41 chemical manufacturing and processing industries which are  
42 described in Code 324110, 325110, 325180, or 325199 of the North  
43 American Industry Classification System, which include facilities  
44 with one or more covered processes for which the owner or operator  
45 is required to prepare and submit a Risk Management Plan.

46 A “skilled and trained workforce” is required to meet the  
47 following criteria:

1       1. All the workers are, as of January 1, 2021, paid the  
2 applicable prevailing hourly wage rate, and are either registered  
3 apprentices or skilled journeypersons; and

4       2. As of January 1, 2021, at least 30 percent of the skilled  
5 journeypersons are graduates of a registered apprenticeship program  
6 for the applicable.

7       3. As of January 1, 2022, at least 45 percent of the skilled  
8 journeypersons are graduates of an approved apprenticeship  
9 program.

10      4. As of January 1, 2023, at least 60 percent of the skilled  
11 journeypersons are graduates of an approved apprenticeship  
12 program.

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

16      The requirements regarding the percentage of journeypersons  
17 who must be graduates of apprenticeship programs do not apply to  
18 the extent that the contractor requests, but cannot obtain qualified  
19 workers from a labor organization, or the extent that compliance is  
20 impracticable in certain emergency situations.

21      A “skilled journeyperson” is defined as a worker who meets all  
22 of the following criteria:

23      1. The worker either graduated from an approved  
24 apprenticeship program for the applicable occupation or has at least  
25 as many hours of on-the-job experience in the applicable occupation  
26 that would be required to graduate from an apprenticeship program  
27 for the applicable occupation; and

28      2. As of January 1, 2025, the worker has completed within the  
29 prior two calendar years at least 20 hours of approved advanced  
30 safety training for workers at high hazard facilities.