SENATE LABOR COMMITTEE

STATEMENT TO

SENATE, No. 972

STATE OF NEW JERSEY

DATED: JANUARY 27, 2020

The Senate Labor Committee reports favorably Senate Bill No.972.

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

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

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

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

2. As of January 1, 2021, at least 30 percent of the skilled journeypersons are graduates of an approved, registered apprenticeship program for the applicable occupation.

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

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

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

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

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

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

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