

SENATE LABOR COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR

SENATE, No. 1422

STATE OF NEW JERSEY

DATED: AUGUST 6, 2020

The Senate Labor Committee reports favorably, a Senate Committee Substitute for Senate Bill, No. 1422.

This bill amends the New Jersey Prevailing Wage Act, P.L.1963, c.150 (C.34:11-56.25 et seq.) and the Public Works Contractor Registration Act, P.L.1999, c.238 (C.34:11-56.48 et seq.) to strengthen the enforcement of those acts.

The bill requires that any public body requesting bids for a contract for public work subject to the prevailing wage law provide, in the documents provided to each bidder, information regarding prevailing wage rates applicable to that contract.

The bill requires that a worker who works during a week in multiple job classifications for which more than one prevailing wage rate applies must be paid the highest rate for all hours worked unless contractor records show which hours of work were spent engaged in each class of work, and further requires that if a worker is employed for a portion of a week in work not subject to the prevailing wage rates, in which the worker would otherwise be paid less than the prevailing wage rate, the contractor must pay the prevailing wage rate for all of the work unless contractor records specify which hours of work are subject to prevailing wage rates and which are not.

The bill makes it a disorderly persons offense, subject to fines of \$100 to \$1,000 and imprisonment of 10 to 90 days, for a contractor to contract with a public body to perform public work, or maintain an interest in another contractor performing public work, while debarred under the prevailing wage law. The bill permits the debarment of a contractor who utilizes a debarred subcontractor in public work and extends the debarment an added five years.

The bill requires registration under the Public Works Contractor Registration Act by any contractor who bids on public work, not only public work directly subject to the prevailing wage law, but also any public work in which prevailing wage rates are required to be paid under other laws, including the laws regarding public works contracts of the Economic Development Authority, county improvement authorities, the Casino Reinvestment Development Authority, the Educational Facilities Financing Authority, and the Health Care Facilities Financing Authority.

The bill requires a contractor registering under that act to disclose all violations by the contractor of any federal or state prevailing wage law during the preceding five years, and increases the registration fees under that act from \$300 to \$500 for the first and second year of registration, and increases the fee charged to a contractor who subsequently chooses to register for a two-year period from \$500 to \$750.