LEGISLATIVE FISCAL ESTIMATE

[Third Reprint]

SENATE, No. 4207

STATE OF NEW JERSEY
220th LEGISLATURE

DATED: JANUARY 13, 2022

SUMMARY

Synopsis: Concerns apprenticeship programs of public works contractors.

Type of Impact: State revenue increase to the General Fund.

Agencies Affected: Department of Labor and Workforce Development.

Office of Legislative Services Estimate

Fiscal Impact	Year 1	Year 2	Year 3
State Revenue	• About 67 percent increase for a 1-year registration fee and 50 percent increase for a 2-year registration fee contracts • Indeterminate increase		

- The Office of Legislative Services (OLS) notes that this bill will result in an increase of State revenues of about 67 percent over the current 1-year registration fee for contractors and a 50 percent increase over the current 2-year registration fee for contractors.

- The OLS also notes that the bill will result in an indeterminate increase in State revenues to the State General Fund attributed to collection of penalties from a contractor violating the provisions of the "The Public Works Contractor Registration Act," P.L.1999, c.238, who is subject to punishment by a fine of not less than $2,500 nor more than $25,000.

BILL DESCRIPTION

This bill increases the registration fees assessed under "The Public Works Contractor Registration Act," P.L.1999, c.238, strengthens the law's provisions regarding the enforcement of the apprenticeship program requirements, and requires certification of compliance with federal requirements for apprenticeship programs. The bill provides that if the State Commissioner of Labor and Workforce Development determines that a contractor is participating in an apprenticeship program which is not in compliance with those federal requirements, the contractor's registration to perform public work may be revoked, but that determination will not

affect the status of the registered apprenticeship program to continue operation in the State. The bill also increases the penalties for misrepresentations in applications for contractor registration, including misrepresentation concerning apprenticeship programs.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS notes that this bill will result in an increase of State revenues of about 67 percent over the current 1-year registration fee for contractors and a 50 percent increase over the current 2-year registration fee for contractors. The current 1-year registration fee for contractors is $300 and, if enacted, the bill will increase the fee to $500. The current 2-year registration fee for contractors is $500 and, if enacted, the bill will increase the fee to $750.

The OLS also notes that the bill will result in an indeterminate increase in State revenues to the State General Fund attributed to collection of penalties from a contractor violating the provisions of the "The Public Works Contractor Registration Act," P.L.1999, c.238, who is subject to punishment by a fine of not less than $2,500 nor more than $25,000.

Section:	*Commerce, Labor and Industry*
Analyst:	*Juan C. Rodriguez* *Senior Fiscal Analyst*
Approved:	*Thomas Koenig* *Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).