

# ASSEMBLY, No. 2517

## STATE OF NEW JERSEY 221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

**Sponsored by:**

Assemblyman **ERIK PETERSON**

District 23 (Hunterdon, Somerset and Warren)

**Co-Sponsored by:**

Assemblymen **DiMaio, Kanitra and Myhre**

**SYNOPSIS**

Prohibits employment of illegal aliens and requires use of E-Verify program in public contracts.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 1/14/2025)

A2517 PETERSON

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1 AN ACT concerning State contracts and illegal aliens and  
2 supplementing Title 34 of the Revised Statutes.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. As used in this act:

8 "Contractor" means a person having a public contract for  
9 services with a State agency or political subdivision.

10 "Department" means the Department of Labor and Workforce  
11 Development.

12 "E-Verify program" means the electronic verification of work  
13 authorization program of the Illegal Immigration Reform and  
14 Immigration Responsibility Act of 1996, Pub.L.104-208 (8 U.S.C.  
15 s.1324a), jointly operated by the United States Department of  
16 Homeland Security and the Social Security Administration or its  
17 successor program.

18 "Knowingly employ an illegal alien" means those actions  
19 described in 8 U.S.C. s.1324a. This term shall be interpreted  
20 consistently with 8 U.S.C. s.1324a and any applicable federal rules  
21 and regulations.

22 "Illegal alien" means an alien who does not have the legal right  
23 or authorization under federal law to work in the United States as  
24 described in 8 U.S.C. s.1324a(h)(3).

25 "Public contract for services" means any type of agreement,  
26 regardless of what the agreement may be called, between a State  
27 agency or political subdivision and a contractor for the procurement  
28 of services.

29 "Services" means the furnishing of labor, time, or effort by a  
30 contractor or a subcontractor not involving the delivery of a specific  
31 end product other than reports that are incidental to the required  
32 performance.

33

34 2. No State agency or political subdivision shall enter into or  
35 renew a public contract for services with a contractor who  
36 knowingly employs or contracts with an illegal alien to perform  
37 work under the contract or who knowingly contracts with an illegal  
38 alien to perform work under the contract.

39

40 3. a. Each public contract for services shall include a provision  
41 that the contractor shall not:

42 (1) knowingly employ or contract with an illegal alien to  
43 perform work under the public contract for services; or

44 (2) enter into a contract with a subcontractor that fails to certify  
45 to the contractor that the subcontractor shall not knowingly employ

**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.**

A2517 PETERSON

- 1 or contract with an illegal alien to perform work under the public  
2 contract for services.
- 3 b. Each public contract for services shall contain provisions  
4 stating that:
- 5 (1) the contractor will verify through the E-Verify program that  
6 the contractor will not employ any illegal aliens;
- 7 (2) if the contractor obtains actual knowledge that a  
8 subcontractor performing work under the public contract for  
9 services knowingly employs or contracts with an illegal alien, the  
10 contractor shall be required to:
- 11 (a) notify the subcontractor and the contracting State agency or  
12 political subdivision within three days that the contractor has actual  
13 knowledge that the subcontractor is employing or contracting with  
14 an illegal alien; and
- 15 (b) terminate the subcontract with the subcontractor if within  
16 three days of receiving the notice required pursuant to subparagraph  
17 (a) of this paragraph the subcontractor does not stop employing or  
18 contracting with the illegal alien; except that the contractor shall not  
19 terminate the contract with the subcontractor if during the three  
20 days the subcontractor provides information to establish that the  
21 subcontractor has not knowingly employed or contracted with an  
22 illegal alien; and
- 23 (3) the contractor is required to comply with any reasonable  
24 request by the department made in the course of an investigation  
25 that the department is undertaking pursuant to the authority  
26 established pursuant to section 5 of this act.
- 27
- 28 4. A State agency or political subdivision shall notify the  
29 department if a contractor violates a provision of a public contract  
30 for services required pursuant to this act and the State agency or  
31 political subdivision terminates the contract for the breach. Based  
32 on the notification, the department shall maintain a list that includes  
33 the name of the contractor, the State agency or political subdivision  
34 that terminated the public contract for services, and the date of the  
35 termination. A contractor shall be removed from the list if two  
36 years have passed since the date the contract was terminated, or if a  
37 court of competent jurisdiction determines that there has not been a  
38 violation of the provision of the public contract for services  
39 required pursuant to this act. A State agency or political  
40 subdivision shall notify the department if a court has made that  
41 determination. The list shall be available for public inspection at  
42 the department and shall be published on an internet website  
43 maintained by the department.
- 44
- 45 5. a. The department may investigate whether a contractor is  
46 complying with the provisions of a public contract for services  
47 required pursuant to this act. The department may conduct on-site  
48 inspections where a public contract for services is being performed,

1 request and review documentation that proves the legal status of  
2 any person performing work on a public contract for services, or  
3 take other reasonable steps that are necessary to determine whether  
4 a contractor is complying with the provisions of a public contract  
5 for services required pursuant to this act. The department shall  
6 receive complaints of suspected violations of a provision of a public  
7 contract for services required pursuant to this act and shall have  
8 discretion as to determine which complaints are to be investigated.  
9 The results of any investigation shall not constitute final agency  
10 action.

11 b. The department shall notify a State agency or political  
12 subdivision if it suspects that there has been a breach of a provision  
13 in a public contract for services required pursuant to this act.  
14

15 6. This act shall take effect on the first day of the third month  
16 following enactment.  
17

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19 STATEMENT

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21 This bill provides that no State agency or political subdivision  
22 may enter into or renew a public contract for services with a  
23 contractor who knowingly employs or contracts with an illegal alien  
24 to perform work under the contract or who knowingly contracts  
25 with an illegal alien to perform work under the contract.

26 The bill requires each public contract for services to include a  
27 provision that the contractor shall not:

28 (1) knowingly employ or contract with an illegal alien to  
29 perform work under the public contract for services; or

30 (2) enter into a contract with a subcontractor that fails to certify  
31 to the contractor that the subcontractor shall not knowingly employ  
32 or contract with an illegal alien to perform work under the public  
33 contract for services.

34 The bill requires each public contract for services to include  
35 provisions stating that:

36 (1) the contractor will verify through the E-Verify program that  
37 the contractor will not employ any illegal aliens;

38 (2) if the contractor obtains actual knowledge that a  
39 subcontractor performing work under the public contract for  
40 services knowingly employs or contracts with an illegal alien, the  
41 contractor shall be required to:

42 (a) notify the subcontractor and the contracting State agency or  
43 political subdivision within three days that the contractor has actual  
44 knowledge that the subcontractor is employing or contracting with  
45 an illegal alien; and

46 (b) terminate the subcontract with the subcontractor if within  
47 three days of receiving the notice the subcontractor does not stop  
48 employing or contracting with the illegal alien; except that the

1 contractor shall not terminate the contract with the subcontractor if  
2 during the three days the subcontractor provides information to  
3 establish that the subcontractor has not knowingly employed or  
4 contracted with an illegal alien; and

5 (3) the contractor is required to comply with any reasonable  
6 request by the department made in the course of an investigation  
7 that the department is undertaking pursuant to the authority  
8 established pursuant to the bill.

9 The bill provides that a State agency or political subdivision  
10 must notify the Department of Labor and Workforce Development  
11 if a contractor violates a provision of a public contract for services  
12 required pursuant to the bill and the State agency or political  
13 subdivision terminates the contract for the breach. Based on the  
14 notification, the department shall maintain a list that includes the  
15 name of the contractor, the State agency or political subdivision that  
16 terminated the public contract for services, and the date of the  
17 termination. A contractor shall be removed from the list if two  
18 years have passed since the date the contract was terminated, or if a  
19 court of competent jurisdiction determines that there has not been a  
20 violation of the provision of the public contract for services. A  
21 State agency or political subdivision shall notify the department if a  
22 court has made that determination. The list shall be available for  
23 public inspection at the department and shall be published on an  
24 internet website maintained by the department.

25 The bill provides that the department may investigate whether a  
26 contractor is complying with the provisions of a public contract for  
27 services required pursuant to the bill. The department may conduct  
28 on-site inspections where a public contract for services is being  
29 performed, request and review documentation that proves the legal  
30 status of any person performing work on a public contract for  
31 services, or take other reasonable steps that are necessary to  
32 determine whether a contractor is complying with the provisions of  
33 a public contract for services required pursuant to the bill. The bill  
34 requires the department to receive complaints of suspected  
35 violations of a provision of a public contract for services and gives  
36 the department discretion as to determine which complaints are to  
37 be investigated. The results of any investigation do not constitute  
38 final agency action.

39 The bill requires the department to notify a State agency or  
40 political subdivision if it suspects that there has been a breach of a  
41 provision in a public contract for services pursuant to the bill.