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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: Yes

"Gov raises fines for non-union pay," 11-12-2002 Trentonian, p.11

"Penalties increased for contractors," 11-12-2002 Burlington County Times, p.B2

"Penalties rise for firms that ignore wage laws," 11-12-2002 The Press, p.

P.L. 2002, CHAPTER 95, *approved November 11, 2002*

Senate, No. 576

1 **AN ACT** concerning certain penalties for prevailing wage violations
2 and amending P.L.1963, c.150.

3

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

6

7 1. Section 11 of P.L.1963, c.150 (C.34:11-56.35) is amended to
8 read as follows:

9 11. Any employer who willfully hinders or delays the commissioner
10 in the performance of his duties in the enforcement of this act, or fails
11 to make, keep, and preserve any records as required under the
12 provisions of this act, or falsifies any such record, or refuses to make
13 any such record accessible to the commissioner upon demand, or
14 refuses to furnish a sworn statement of such record or any other
15 information required for the proper enforcement of this act to the
16 commissioner upon demand, or pays or agrees to pay wages at a rate
17 less than the rate applicable under this act or otherwise violates any
18 provision of this act or of any regulation or order issued under this act
19 shall be guilty of a disorderly persons offense and shall, upon
20 conviction therefor, be fined not less than \$100.00 nor more than
21 \$1,000 or be imprisoned for not less than 10 nor more than 90 days,
22 or by both such fine and imprisonment. Each week, in any day of
23 which a worker is paid less than the rate applicable to him under this
24 act and each worker so paid, shall constitute a separate offense.

25 As an alternative to or in addition to any other sanctions provided
26 by law for violations of any provision of P.L.1963, c.150
27 (C.34:11-56.25 et seq.), when the Commissioner of Labor finds that
28 an employer has violated that act, the commissioner is authorized to
29 assess and collect administrative penalties, up to a maximum of
30 **[\$250]** \$2,500 for a first violation and up to a maximum of **[\$500]**
31 \$5,000 for each subsequent violation, specified in a schedule of
32 penalties to be promulgated as a rule or regulation by the
33 commissioner in accordance with the "Administrative Procedure Act,"
34 P.L.1968, c.410 (C.52:14B-1 et seq.). When determining the amount
35 of the penalty imposed because of a violation, the commissioner shall
36 consider factors which include the history of previous violations by the
37 employer, the seriousness of the violation, the good faith of the
38 employer and the size of the employer's business. No administrative
39 penalty shall be levied pursuant to this section unless the
40 Commissioner of Labor provides the alleged violator with notification
41 of the violation and of the amount of the penalty by certified mail and

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 an opportunity to request a hearing before the commissioner or his
2 designee within 15 days following the receipt of the notice. If a
3 hearing is requested, the commissioner shall issue a final order upon
4 such hearing and a finding that a violation has occurred. If no hearing
5 is requested, the notice shall become a final order upon expiration of
6 the 15-day period. Payment of the penalty is due when a final order
7 is issued or when the notice becomes a final order. Any penalty
8 imposed pursuant to this section may be recovered with costs in a
9 summary proceeding commenced by the commissioner pursuant to
10 ["the penalty enforcement law" (N.J.S.2A:58-1 et seq.)] the "Penalty
11 Enforcement Law of 1999", P.L.1999, c.274 (C.2A:58-10 et. seq.).
12 Any sum collected as a fine or penalty pursuant to this section shall be
13 applied toward enforcement and administration costs of the Division
14 of Workplace Standards in the Department of Labor.
15 (cf: P.L.1991, c.205, s.18)

16

17 2. This act shall take effect immediately.

18

19

20

21

22 Authorizes an increase in administrative penalties for prevailing wage
23 violations.

SENATE, No. 576

STATE OF NEW JERSEY 210th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2002 SESSION

Sponsored by:

Senator RICHARD J. CODEY

District 27 (Essex)

Senator JOHN J. MATHEUSSEN

District 4 (Camden and Gloucester)

Co-Sponsored by:

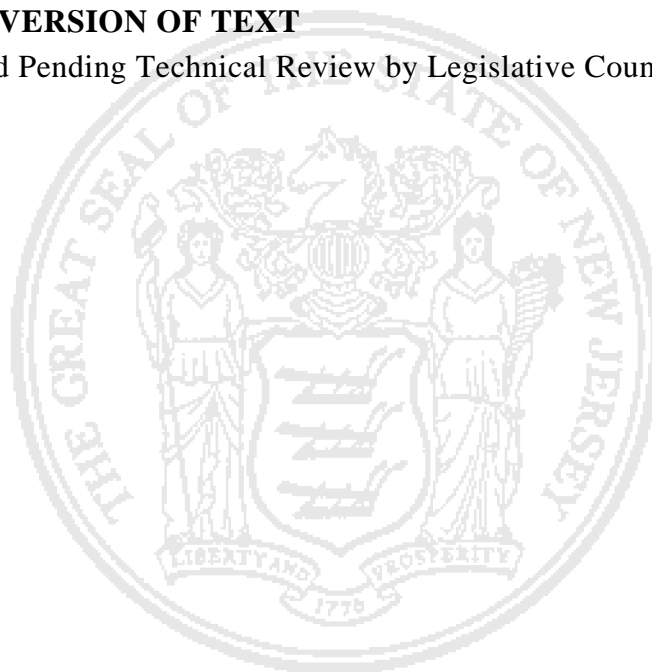
Senators Coniglio, Singer and Palaia

SYNOPSIS

Authorizes an increase in administrative penalties for prevailing wage violations.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 2/26/2002)

1 AN ACT concerning certain penalties for prevailing wage violations
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5 of New Jersey:

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7 1. Section 11 of P.L.1963, c.150 (C.34:11-56.35) is amended to
8 read as follows:

9 11. Any employer who willfully hinders or delays the commissioner
10 in the performance of his duties in the enforcement of this act, or fails
11 to make, keep, and preserve any records as required under the
12 provisions of this act, or falsifies any such record, or refuses to make
13 any such record accessible to the commissioner upon demand, or
14 refuses to furnish a sworn statement of such record or any other
15 information required for the proper enforcement of this act to the
16 commissioner upon demand, or pays or agrees to pay wages at a rate
17 less than the rate applicable under this act or otherwise violates any
18 provision of this act or of any regulation or order issued under this act
19 shall be guilty of a disorderly persons offense and shall, upon
20 conviction therefor, be fined not less than \$100.00 nor more than
21 \$1,000 or be imprisoned for not less than 10 nor more than 90 days,
22 or by both such fine and imprisonment. Each week, in any day of
23 which a worker is paid less than the rate applicable to him under this
24 act and each worker so paid, shall constitute a separate offense.

25 As an alternative to or in addition to any other sanctions provided
26 by law for violations of any provision of P.L.1963, c.150
27 (C.34:11-56.25 et seq.), when the Commissioner of Labor finds that
28 an employer has violated that act, the commissioner is authorized to
29 assess and collect administrative penalties, up to a maximum of
30 **[\$250]** \$2500 for a first violation and up to a maximum of **[\$500]**
31 \$5,000 for each subsequent violation, specified in a schedule of
32 penalties to be promulgated as a rule or regulation by the
33 commissioner in accordance with the "Administrative Procedure Act,"
34 P.L.1968, c.410 (C.52:14B-1 et seq.). When determining the amount
35 of the penalty imposed because of a violation, the commissioner shall
36 consider factors which include the history of previous violations by the
37 employer, the seriousness of the violation, the good faith of the
38 employer and the size of the employer's business. No administrative
39 penalty shall be levied pursuant to this section unless the
40 Commissioner of Labor provides the alleged violator with notification
41 of the violation and of the amount of the penalty by certified mail and
42 an opportunity to request a hearing before the commissioner or his
43 designee within 15 days following the receipt of the notice. If a

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4 the 15-day period. Payment of the penalty is due when a final order
5 is issued or when the notice becomes a final order. Any penalty
6 imposed pursuant to this section may be recovered with costs in a
7 summary proceeding commenced by the commissioner pursuant to
8 "the penalty enforcement law" (N.J.S.2A:58-1 et seq.). Any sum
9 collected as a fine or penalty pursuant to this section shall be applied
10 toward enforcement and administration costs of the Division of
11 Workplace Standards in the Department of Labor.
12 (cf: P.L.1991, c.205, s.18)

13

14 2. This act shall take effect immediately.

15

16

17

STATEMENT

18

19 This bill increases the administrative penalties the Commissioner of
20 Labor is authorized to assess and collect for violations of the
21 prevailing wage law. The prevailing wage means the wage rate paid
22 by virtue of a collective bargaining agreement between certain
23 employers and workers engaged in public works. The prevailing wage
24 level was established for these workers to safeguard their efficiency
25 and well-being. Any employer who hinders or delays the
26 Commissioner of Labor in the performance of his duties in enforcing
27 the prevailing wage law shall be subject to certain penalties.
28 Specifically, this bill increases administrative penalties from \$250 to
29 \$2,500 for a first violation, and from \$500 to \$5,000 for each
30 subsequent violation.

SENATE LABOR COMMITTEE

STATEMENT TO

SENATE, No. 576

STATE OF NEW JERSEY

DATED: FEBRUARY 25, 2002

The Senate Labor Committee reports favorably Senate Bill No. 576.

This bill increases the administrative penalties the Commissioner of Labor is authorized to assess and collect for violations of the "New Jersey Prevailing Wage Act." Specifically, this bill increases administrative penalties from \$250 to \$2,500 for a first violation, and from \$500 to \$5,000 for each subsequent violation. Each week in which a worker is paid less than the required rate, and each worker so paid, constitute a separate offense.

This bill was pre-filed for introduction in the 2002 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

SENATE, No. 576

STATE OF NEW JERSEY

DATED: SEPTEMBER 12, 2002

The Assembly Labor Committee reports favorably Senate Bill No. 576.

This bill increases the administrative penalties the Commissioner of Labor is authorized to assess and collect for violations of the "New Jersey Prevailing Wage Act." Specifically, this bill increases administrative penalties from \$250 to \$2,500 for a first violation, and from \$500 to \$5,000 for each subsequent violation. Each week in which a worker is paid less than the required rate, and each worker so paid, constitute a separate offense.

ASSEMBLY, No. 1344

STATE OF NEW JERSEY 210th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2002 SESSION

Sponsored by:

Assemblyman GEORGE F. GEIST
District 4 (Camden and Gloucester)
Assemblyman GARY L. GUEAR, SR.
District 14 (Mercer and Middlesex)

Co-Sponsored by:

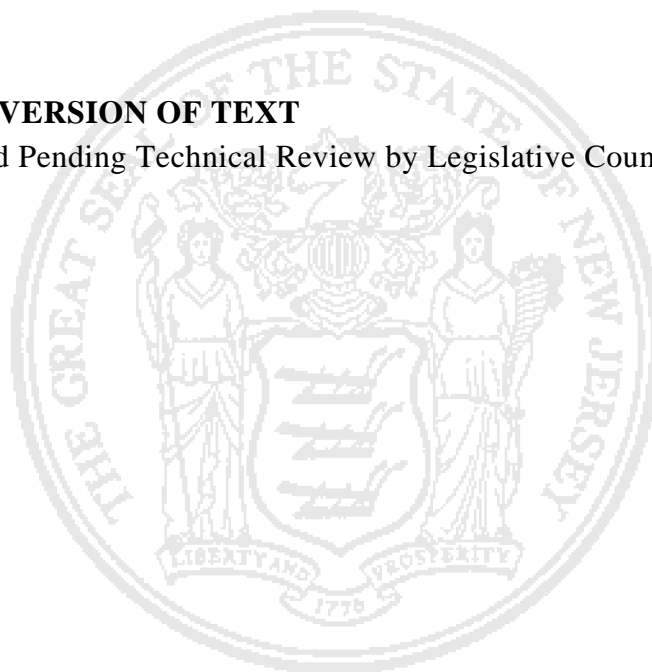
Assemblywoman Friscia, Assemblyman Thompson, Assemblywoman Greenstein, Assemblyman Gusciora, Assemblywoman Previte, Assemblymen Conaway and Ahearn

SYNOPSIS

Authorizes an increase in administrative penalties for prevailing wage violations.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 3/1/2002)

A1344 GEIST, GUEAR

2

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19 shall be guilty of a disorderly persons offense and shall, upon
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22 or by both such fine and imprisonment. Each week, in any day of
23 which a worker is paid less than the rate applicable to him under this
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27 (C.34:11-56.25 et seq.), when the Commissioner of Labor finds that
28 an employer has violated that act, the commissioner is authorized to
29 assess and collect administrative penalties, up to a maximum of
30 **[\$250]** \$2,500 for a first violation and up to a maximum of **[\$500]**
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32 penalties to be promulgated as a rule or regulation by the
33 commissioner in accordance with the "Administrative Procedure Act,"
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9 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).
10 Any sum collected as a fine or penalty pursuant to this section shall be
11 applied toward enforcement and administration costs of the Division
12 of Workplace Standards in the Department of Labor.
13 (cf: P.L.1991, c.205, s.18)

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15 2. This act shall take effect immediately.

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STATEMENT

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20 This bill increases the administrative penalties that the
21 Commissioner of Labor is authorized to assess and collect for
22 violations of the "New Jersey Prevailing Wage Act". The prevailing
23 wage means the wage rate paid by virtue of a collective bargaining
24 agreement between certain employers and workers engaged in public
25 works. The prevailing wage level was established for these workers
26 to safeguard their efficiency and well-being. The bill increases the
27 administrative penalties which may be imposed on an employer who
28 hinders or delays the Commissioner of Labor in the performance of his
29 duties in enforcing the prevailing wage act from \$250 to \$2,500 for a
30 first violation, and from \$500 to \$5,000 for each subsequent violation.
31 Each week in which a worker is paid less than the required rate, and
32 each worker so paid constitute a separate offense.

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1344

STATE OF NEW JERSEY

DATED: FEBRUARY 28, 2002

The Assembly Labor Committee reports favorably Assembly Bill No.1344.

This bill increases the administrative penalties that the Commissioner of Labor is authorized to assess and collect for violations of the "New Jersey Prevailing Wage Act". The prevailing wage means the wage rate paid by virtue of a collective bargaining agreement between certain employers and workers engaged in public works. The prevailing wage level was established for these workers to safeguard their efficiency and well-being. The bill increases the administrative penalties which may be imposed on an employer who hinders or delays the Commissioner of Labor in the performance of his duties in enforcing the prevailing wage act from \$250 to \$2,500 for a first violation, and from \$500 to \$5,000 for each subsequent violation.

Each week in which a worker is paid less than the required rate, and each worker so paid, constitute a separate offense.

This bill was pre-filed for introduction in the 2002 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

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Press Releases

PO BOX 004
TRENTON, NJ 08625

Contact: Kevin Davitt
609-777-2600

RELEASE: November 11, 2002

[Previous Screen](#)

McGreevey Toughens Penalties for Violation of Prevailing Wage Act

(TRENTON)—Governor James E. McGreevey today signed into law Senate Bill 576, will drastically increase the penalties for violation of New Jersey’s Prevailing Wage Act. The Governor was joined by Labor Commissioner Al Kroll, Senate President Richard J. Codey, Assembly members Gary Guear, Arline Friscia and George Geist, as well as NJ AFL-CIO President Charlie Wowkanech.

“With this new law, we are sending a clear message to employers—if you violate the Prevailing Wage Act, you will pay, and you will pay a hefty price,” said McGreevey. “I would like to thank Senate President Codey and Senator Matheussen, as well as Assemblymen Guear and Geist, for their leadership in getting this legislation passed.”

"An honest day's work deserves an honest day's pay," said Senator Codey, D-Essex. "Today we move one step forward towards securing such pay for all men and women who work on public contracts in the state of New Jersey."

Currently, New Jersey’s Prevailing Wage Act ensures that workers who are employed by government contracts receive a fair wage. The Act also sets pay at a level that is equivalent to union wages for each profession within the contracting field. However, the penalty for violation of the Prevailing Wage Act has not been updated for almost 20 years.

The new law increases the penalties tenfold that the Commissioner of Labor is authorized to collect when employers violate the prevailing wage law. For the first violation, administrative penalties would increase from \$250 to \$2,500. For subsequent violations, administrative penalties would increase from \$500 to \$5,000.

"Penalties for breaking the prevailing wage law should be significant and not just a slap on the wrist," said Guear. "Too often, unscrupulous contractors opt to pay the penalties because they are cheaper than the cost of increased wages."

“It is of the utmost importance to protect the rights of employees and this legislation will provide additional support to make certain that they receive the earnings they deserve,” said Matheussen.

“The prevailing wage act is an important cornerstone to public works projects throughout New Jersey,” said Geist. “It provides a living wage for workers, levels the playing field among contractors, and reinforces the public’s expectations that a quality project will be

constructed for public use.”

Senate Bill 576, which passed the Senate on March 4, 2002, was sponsored by Senators Richard J. Codey (D-Essex) and John Matheussen (R-Camden/ Gloucester). S-576 was substituted for A-1344 in the Assembly, where it was sponsored by Assemblymen Gary Gear (D-Mercer/ Middlesex) and George Geist (R-Camden/ Gloucester).



State of New Jersey Governor's Office

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