

# 5:12-173.23

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2004 **CHAPTER:** 127

**NJSA:** 5:12-173.23 (Extends prevailing wage requirements to certain projects)

**BILL NO:** A1819 (Substituted for S598)

**SPONSOR(S):** Eagan and others

**DATE INTRODUCED:** Pre-filed

**COMMITTEE:** **ASSEMBLY:** Labor; Appropriations  
**SENATE:** Budget and Appropriations

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:** **ASSEMBLY:** June 21, 2004

**SENATE:** June 24, 2004

**DATE OF APPROVAL:** August 23, 2004

**FOLLOWING ARE ATTACHED IF AVAILABLE:**

[FINAL TEXT OF BILL](#) 2nd reprint enacted

**A1819**

[SPONSOR'S STATEMENT:](#) (Begins on page 7 of original bill) [Yes](#)

**COMMITTEE STATEMENT:** **ASSEMBLY:** Yes [2-19-2004](#)  
[6-14-2004](#)

[SENATE:](#) [Yes](#)

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** No

**S598**

[SPONSOR'S STATEMENT:](#) (Begins on page 7 of original bill) [Yes](#)

**COMMITTEE STATEMENT:** **ASSEMBLY:** No

[SENATE:](#) [Yes](#)

[FLOOR AMENDMENT STATEMENT:](#) [Yes](#)

**LEGISLATIVE FISCAL ESTIMATE:** No

**VETO MESSAGE:** No

[GOVERNOR'S PRESS RELEASE ON SIGNING:](#) [Yes](#)

**FOLLOWING WERE PRINTED:**

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**REPORTS:**

No

**HEARINGS:**

No

**NEWSPAPER ARTICLES:**

No

§§1-4 -  
C.5:12-173.23 to  
5:12-173.26  
reallocated to  
C.5:12-161.3 to  
5:12-161.6  
§§5-8 -  
C.5:12-173.27 to  
5:12-173.30  
reallocated to  
C.18A:72A-5.1 to  
18:72A-5.4  
§§9-12 -  
C.5:12-173.31 to  
5:12-173.34  
reallocated to  
C.26:2I-5.3 to  
26:2I-5.6  
§§13-16 -  
C.5:12-173.35 to  
5:12-173.38  
reallocated to  
C.40:37A-55.2 to  
40:37A-55.5

P.L. 2004, CHAPTER 127, *approved August 23, 2004*

Assembly, No. 1819 (*Second Reprint*)

(CORRECTED COPY)

1 AN ACT concerning wages paid in construction and rehabilitation  
2 projects of certain instrumentalities of the State <sup>1</sup>[, amending  
3 P.L.1983, c.530]<sup>1</sup> and supplementing parts of the statutory law.

4

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

7

8 1. (New section) Each worker employed in the construction or  
9 rehabilitation of facilities undertaken in connection with loans, loan  
10 guarantees, expenditures, investments, tax exemptions or other  
11 incentives or financial assistance approved, provided, authorized,  
12 facilitated or administered by the Casino Reinvestment Development  
13 Authority, or undertaken to fulfill any condition of receiving any of the  
14 incentives or financial assistance, shall be paid not less than the  
15 prevailing wage rate for the worker's craft or trade, as determined by  
16 the Commissioner of Labor pursuant to P.L.1963, c.150 (C.34:11-  
17 56.25 et seq.). <sup>1</sup>[If the worker is paid less than the prevailing wage  
18 rate and the failure to pay the required wages is not, upon the  
19 notification of the failure by the commissioner or the authority, fully  
20 rectified by the contractor or subcontractor employing the worker:

**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.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup> Assembly ALA committee amendments adopted February 19, 2004.

<sup>2</sup> Assembly AAP committee amendments adopted June 14, 2004.

1 a. The authority shall terminate the right of the contractor or  
2 subcontractor to proceed with the construction or rehabilitation work  
3 or the part of the work in which the required wages were not paid;

4 b. The authority may prosecute the work to completion and the  
5 contractor or subcontractor, or the surety of the contractor or  
6 subcontractor, shall be liable for all resulting excess costs.】<sup>1</sup>

7 The Commissioner of Labor shall determine the prevailing wage  
8 rate in the locality in which the construction or rehabilitation is to be  
9 performed for each craft, trade or classification of worker employed  
10 in the construction or rehabilitation, as if the construction or  
11 rehabilitation is "public work" as defined in section 2 of P.L.1963,  
12 c.150 (C.34:11-56.26).

13  
14 2. (New section) For the purpose of implementing the provisions  
15 of sections 1 through 3<sup>1</sup> of this act, the Commissioner of Labor shall,  
16 and a worker employed in the performance of work subject to this act  
17 or the employer or any designated representative of the worker<sup>1</sup> may,  
18 exercise all rights, powers or duties granted or imposed upon them by  
19 P.L.1963, c.150 (C.34:11-56.25 et seq.).  
20

21 3. (New section) The Casino Reinvestment Development Authority  
22 shall in consultation with the Commissioner of Labor,<sup>2</sup> adopt rules  
23 and regulations consistent with the rules and regulations adopted  
24 by the Commissioner of Labor pursuant to P.L.1963, c.150 (C.34:11-  
25 56.25 et seq.),<sup>2</sup> requiring that not less than the prevailing wage be  
26 paid to workers employed in the construction or rehabilitation of  
27 facilities undertaken in connection with loans, loan guarantees,  
28 expenditures, investments, incentives or other financial assistance  
29 provided, authorized or administered by the authority. The prevailing  
30 wage rate shall be the rate determined by the Commissioner of Labor  
31 pursuant to the provisions of P.L.1963, c.150 (C.34:11-56.25 et seq.).  
32

33 4. (New section) The provisions of sections 1 through 3 of this act  
34 shall not apply to construction and rehabilitation of facilities conducted  
35 entirely under contracts entered into prior to the effective date of this  
36 act or to the refinancing of the outstanding debt on projects in which  
37 all construction or rehabilitation of facilities was conducted under  
38 contracts entered into prior to the effective date of this act.  
39

40 5. (New section) Each worker employed in the construction or  
41 rehabilitation of facilities undertaken in connection with loans, loan  
42 guarantees, expenditures, investments, tax exemptions or other  
43 incentives or financial assistance approved, provided, authorized,  
44 facilitated or administered by the New Jersey Educational Facilities  
45 Authority, or undertaken to fulfill any condition of receiving any of the  
46 incentives or financial assistance, shall be paid not less than the  
47 prevailing wage rate for the worker's craft or trade, as determined by

1 the Commissioner of Labor pursuant to P.L.1963, c.150 (C.34:11-  
2 56.25 et seq.). <sup>1</sup>[If the worker is paid less than the prevailing wage  
3 rate and the failure to pay the required wages is not, upon the  
4 notification of the failure by the commissioner or the authority, fully  
5 rectified by the contractor or subcontractor employing the worker:

6 a. The authority shall terminate the right of the contractor or  
7 subcontractor to proceed with the construction or rehabilitation work  
8 or the part of the work in which the required wages were not paid;

9 b. The authority may prosecute the work to completion and the  
10 contractor or subcontractor, or the surety of the contractor or  
11 subcontractor, shall be liable for all resulting excess costs.]<sup>1</sup>

12 The Commissioner of Labor shall determine the prevailing wage  
13 rate in the locality in which the construction or rehabilitation is to be  
14 performed for each craft, trade or classification of worker employed  
15 in the construction or rehabilitation, as if the construction or  
16 rehabilitation is "public work" as defined in section 2 of P.L.1963,  
17 c.150 (C.34:11-56.26).

18

19 6. (New section) For the purpose of implementing the provisions  
20 of sections 5 through 7<sup>1</sup> of this act, the Commissioner of Labor shall,  
21 and a worker employed in the performance of work subject to this act  
22 or the employer or any designated representative of the worker<sup>1</sup> may,  
23 exercise all rights, powers or duties granted or imposed upon them by  
24 P.L.1963, c.150 (C.34:11-56.25 et seq.).

25

26 7. (New section) The New Jersey Educational Facilities Authority  
27 shall in consultation with the Commissioner of Labor,<sup>2</sup> adopt rules  
28 and regulations consistent with the rules and regulations adopted by  
29 the Commissioner of Labor pursuant to P.L.1963, c.150 (C.34:11-  
30 56.25 et seq.),<sup>2</sup> requiring that not less than the prevailing wage be paid  
31 to workers employed in the construction or rehabilitation of facilities  
32 undertaken in connection with loans, loan guarantees, expenditures,  
33 investments, incentives or other financial assistance provided,  
34 authorized or administered by the authority. The prevailing wage rate  
35 shall be the rate determined by the Commissioner of Labor pursuant  
36 to the provisions of P.L.1963, c.150 (C.34:11-56.25 et seq.).

37

38 8. (New section) The provisions of sections 5 through 7 of this act  
39 shall not apply to construction and rehabilitation of facilities conducted  
40 entirely under contracts entered into prior to the effective date of this  
41 act or to the refinancing of the outstanding debt on projects in which  
42 all construction or rehabilitation of facilities was conducted under  
43 contracts entered into prior to the effective date of this act.

44

45 9. (New section) Each worker employed in the construction or  
46 rehabilitation of facilities undertaken in connection with loans, loan  
47 guarantees, expenditures, investments, tax exemptions or other

1 incentives or financial assistance approved, provided, authorized,  
2 facilitated or administered by the New Jersey Health Care Facilities  
3 Financing Authority, or undertaken to fulfill any condition of receiving  
4 any of the incentives or financial assistance, shall be paid not less than  
5 the prevailing wage rate for the worker's craft or trade, as determined  
6 by the Commissioner of Labor pursuant to P.L.1963, c.150 (C.34:11-  
7 56.25 et seq.). <sup>1</sup>[If the worker is paid less than the prevailing wage  
8 rate and the failure to pay the required wages is not, upon the  
9 notification of the failure by the commissioner or the authority, fully  
10 rectified by the contractor or subcontractor employing the worker:

11 a. The authority shall terminate the right of the contractor or  
12 subcontractor to proceed with the construction or rehabilitation work  
13 or the part of the work in which the required wages were not paid;

14 b. The authority may prosecute the work to completion and the  
15 contractor or subcontractor, or the surety of the contractor or  
16 subcontractor, shall be liable for all resulting excess costs.]<sup>1</sup>

17 The Commissioner of Labor shall determine the prevailing wage  
18 rate in the locality in which the construction or rehabilitation is to be  
19 performed for each craft, trade or classification of worker employed  
20 in the construction or rehabilitation, as if the construction or  
21 rehabilitation is "public work" as defined in section 2 of P.L.1963,  
22 c.150 (C.34:11-56.26).

23 10. (New section) For the purpose of implementing the provisions  
24 <sup>1</sup>of sections 9 through 11<sup>1</sup> of this act, the Commissioner of Labor  
25 shall, and a worker employed in the performance of work subject to  
26 this act <sup>1</sup>or the employer or any designated representative of the  
27 worker<sup>1</sup> may, exercise all rights, powers or duties granted or imposed  
28 upon them by P.L.1963, c.150 (C.34:11-56.25 et seq.).  
29

30 11. (New section) The New Jersey Health Care Facilities  
31 Financing Authority shall <sup>2</sup>, in consultation with the Commissioner of  
32 Labor,<sup>2</sup> adopt rules and regulations <sup>2</sup>, consistent with the rules and  
33 regulations adopted by the Commissioner of Labor pursuant to  
34 P.L.1963, c.150 (C.34:11-56.25 et seq.),<sup>2</sup> requiring that not less than  
35 the prevailing wage be paid to workers employed in the construction  
36 or rehabilitation of facilities undertaken in connection with loans, loan  
37 guarantees, expenditures, investments, incentives or other financial  
38 assistance provided, authorized or administered by the authority. The  
39 prevailing wage rate shall be the rate determined by the Commissioner  
40 of Labor pursuant to the provisions of P.L.1963, c.150 (C.34:11-56.25  
41 et seq.).  
42

43 12. (New section) The provisions of sections 9 through 11 of this  
44 act shall not apply to construction and rehabilitation of facilities  
45 conducted entirely under contracts entered into prior to the effective  
46 date of this act or to the refinancing of the outstanding debt on

1 projects in which all construction or rehabilitation of facilities was  
2 conducted under contracts entered into prior to the effective date of  
3 this act.

4  
5 13. (New section) Each worker employed in the construction or  
6 rehabilitation of facilities undertaken in connection with loans, loan  
7 guarantees, expenditures, investments, tax exemptions or other  
8 incentives or financial assistance approved, provided, authorized,  
9 facilitated or administered by a county improvement authority, or  
10 undertaken to fulfill any condition of receiving any of the incentives or  
11 financial assistance, shall be paid not less than the prevailing wage rate  
12 for the worker's craft or trade, as determined by the Commissioner of  
13 Labor pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.). <sup>1</sup>[If the  
14 worker is paid less than the prevailing wage rate and the failure to pay  
15 the required wages is not, upon the notification of the failure by the  
16 commissioner or the authority, fully rectified by the contractor or  
17 subcontractor employing the worker:

18 a. The authority shall terminate the right of the contractor or  
19 subcontractor to proceed with the construction or rehabilitation work  
20 or the part of the work in which the required wages were not paid;

21 b. The authority may prosecute the work to completion and the  
22 contractor or subcontractor, or the surety of the contractor or  
23 subcontractor, shall be liable for all resulting excess costs.]<sup>1</sup>

24 The Commissioner of Labor shall determine the prevailing wage  
25 rate in the locality in which the construction or rehabilitation is to be  
26 performed for each craft, trade or classification of worker employed  
27 in the construction or rehabilitation, as if the construction or  
28 rehabilitation is "public work" as defined in section 2 of P.L.1963,  
29 c.150 (C.34:11-56.26).

30  
31 14. (New section) For the purpose of implementing the provisions  
32 <sup>1</sup>of sections 13 through 15<sup>1</sup> of this act, the Commissioner of Labor  
33 shall, and a worker employed in the performance of work subject to  
34 this act <sup>1</sup>or the employer or any designated representative of the  
35 worker<sup>1</sup> may, exercise all rights, powers or duties granted or imposed  
36 upon them by P.L.1963, c.150 (C.34:11-56.25 et seq.).

37  
38 15. (New section) Each county improvement authority shall <sup>2</sup>, in  
39 consultation with the Commissioner of Labor,<sup>2</sup> adopt rules and  
40 regulations <sup>2</sup>, consistent with the rules and regulations adopted by the  
41 Commissioner of Labor pursuant to P.L.1963, c.150 (C.34:11-56.25  
42 et seq.),<sup>2</sup> requiring that not less than the prevailing wage be paid to  
43 workers employed in the construction or rehabilitation of facilities  
44 undertaken in connection with loans, loan guarantees, expenditures,  
45 investments, incentives or other financial assistance provided,  
46 authorized or administered by the authority. The prevailing wage rate

1 shall be the rate determined by the Commissioner of Labor pursuant  
2 to the provisions of P.L.1963, c.150 (C.34:11-56.25 et seq.).

3  
4 16. (New section) The provisions of section 13 through 15 of this  
5 act shall not apply to construction and rehabilitation of facilities  
6 conducted entirely under contracts entered into prior to the effective  
7 date of this act or to the refinancing of the outstanding debt on  
8 projects in which all construction or rehabilitation of facilities was  
9 conducted under contracts entered into prior to the effective date of  
10 this act.

11  
12 <sup>1</sup>[17. Section 42 of P.L.1983, c.530 (C.55:14K-42) is amended to  
13 read as follows:

14 42. Each qualified housing sponsor granted or authorized to  
15 receive a loan, loan guarantee, expenditure, investment, tax exemption  
16 or other incentive or financial assistance from or by the agency, the  
17 Council on Affordable Housing or the Department of Community  
18 Affairs, or any builder, contractor or subcontractor engaged by the  
19 qualified housing sponsor for the construction or rehabilitation of any  
20 housing project, shall pay the workmen employed in the performance  
21 of any contract for such construction or rehabilitation not less than the  
22 prevailing wage rate. The prevailing wage rate shall be determined by  
23 the Commissioner of the New Jersey Department of Labor in all cases,  
24 except that the prevailing rate shall be determined by the Secretary of  
25 the United States Department of Labor in accordance with [the  
26 Davis-Bacon Act as amended (40 U.S.C. 276a to 276a-5),]  
27 Pub.L.107-217 (40 U.S.C. 3141 et seq.), when the loan from the  
28 agency for the construction or rehabilitation of a housing project or  
29 the tenants of the housing project is the subject of direct or indirect  
30 federal assistance other than the federal tax exemption of the interest  
31 paid on the agency obligations.

32 The Commissioner of Labor is authorized to, and shall, determine  
33 the prevailing wage rate and shall establish the prevailing wage in the  
34 locality in which the construction or rehabilitation of any housing  
35 project is to be performed for each craft or trade or classification of  
36 [all workmen] worker employed in the performance of such  
37 construction or rehabilitation, as if such construction or rehabilitation  
38 were "public work" within the meaning of P.L.1963, c.150  
39 (C.34:11-56.25 et seq.). For the purpose of carrying out the  
40 provisions of this section, the Commissioner of Labor and any  
41 [workmen] worker employed in the performance of any contract for  
42 the construction or rehabilitation of any housing project, shall have  
43 and may exercise or perform any right, power or duty granted or  
44 imposed upon them by P.L.1963, c.150.

45 (cf: P.L.1983, c.530, s.42)]<sup>1</sup>



1       <sup>1</sup>[18.] 17.<sup>1</sup> This act shall take effect immediately.

2

3

4

5

6       Extends prevailing wage requirements to projects of county  
7       improvement authorities, the CRDA, the Educational Facilities  
8       Financing Authority, and the Health Care Facilities Financing  
9       Authority.

# ASSEMBLY, No. 1819

## STATE OF NEW JERSEY 211th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2004 SESSION

**Sponsored by:**

**Assemblyman JOSEPH V. EGAN**

**District 17 (Middlesex and Somerset)**

**Assemblyman JEFF VAN DREW**

**District 1 (Cape May, Atlantic and Cumberland)**

**SYNOPSIS**

Extends prevailing wage requirements to projects of county improvement authorities, the CRDA, the Educational Facilities Financing Authority, the Health Care Facilities Financing Authority, COAH and DCA.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 2/24/2004)**

1 AN ACT concerning wages paid in construction and rehabilitation  
2 projects of certain instrumentalities of the State, amending  
3 P.L.1983, c.530 and supplementing parts of the statutory law.

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

7  
8 1. (New section) Each worker employed in the construction or  
9 rehabilitation of facilities undertaken in connection with loans, loan  
10 guarantees, expenditures, investments, tax exemptions or other  
11 incentives or financial assistance approved, provided, authorized,  
12 facilitated or administered by the Casino Reinvestment Development  
13 Authority, or undertaken to fulfill any condition of receiving any of the  
14 incentives or financial assistance, shall be paid not less than the  
15 prevailing wage rate for the worker's craft or trade, as determined by  
16 the Commissioner of Labor pursuant to P.L.1963, c.150 (C.34:11-  
17 56.25 et seq.). If the worker is paid less than the prevailing wage rate  
18 and the failure to pay the required wages is not, upon the notification  
19 of the failure by the commissioner or the authority, fully rectified by  
20 the contractor or subcontractor employing the worker:

21 a. The authority shall terminate the right of the contractor or  
22 subcontractor to proceed with the construction or rehabilitation work  
23 or the part of the work in which the required wages were not paid;

24 b. The authority may prosecute the work to completion and the  
25 contractor or subcontractor, or the surety of the contractor or  
26 subcontractor, shall be liable for all resulting excess costs.

27 The Commissioner of Labor shall determine the prevailing wage  
28 rate in the locality in which the construction or rehabilitation is to be  
29 performed for each craft, trade or classification of worker employed  
30 in the construction or rehabilitation, as if the construction or  
31 rehabilitation is "public work" as defined in section 2 of P.L.1963,  
32 c.150 (C.34:11-56.26).

33  
34 2. (New section) For the purpose of implementing the provisions  
35 of this act, the Commissioner of Labor shall, and a worker employed  
36 in the performance of work subject to this act may, exercise all rights,  
37 powers or duties granted or imposed upon them by P.L.1963, c.150  
38 (C.34:11-56.25 et seq.).

39  
40 3. (New section) The Casino Reinvestment Development Authority  
41 shall adopt rules and regulations requiring that not less than the  
42 prevailing wage be paid to workers employed in the construction or  
43 rehabilitation of facilities undertaken in connection with loans, loan

**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.**

1 guarantees, expenditures, investments, incentives or other financial  
2 assistance provided, authorized or administered by the authority. The  
3 prevailing wage rate shall be the rate determined by the Commissioner  
4 of Labor pursuant to the provisions of P.L.1963, c.150 (C.34:11-56.25  
5 et seq.).

6  
7 4. (New section) The provisions of sections 1 through 3 of this act  
8 shall not apply to construction and rehabilitation of facilities conducted  
9 entirely under contracts entered into prior to the effective date of this  
10 act or to the refinancing of the outstanding debt on projects in which  
11 all construction or rehabilitation of facilities was conducted under  
12 contracts entered into prior to the effective date of this act.

13  
14 5. (New section) Each worker employed in the construction or  
15 rehabilitation of facilities undertaken in connection with loans, loan  
16 guarantees, expenditures, investments, tax exemptions or other  
17 incentives or financial assistance approved, provided, authorized,  
18 facilitated or administered by the New Jersey Educational Facilities  
19 Authority, or undertaken to fulfill any condition of receiving any of the  
20 incentives or financial assistance, shall be paid not less than the  
21 prevailing wage rate for the worker's craft or trade, as determined by  
22 the Commissioner of Labor pursuant to P.L.1963, c.150 (C.34:11-  
23 56.25 et seq.). If the worker is paid less than the prevailing wage rate  
24 and the failure to pay the required wages is not, upon the notification  
25 of the failure by the commissioner or the authority, fully rectified by  
26 the contractor or subcontractor employing the worker:

27 a. The authority shall terminate the right of the contractor or  
28 subcontractor to proceed with the construction or rehabilitation work  
29 or the part of the work in which the required wages were not paid;

30 b. The authority may prosecute the work to completion and the  
31 contractor or subcontractor, or the surety of the contractor or  
32 subcontractor, shall be liable for all resulting excess costs.

33 The Commissioner of Labor shall determine the prevailing wage  
34 rate in the locality in which the construction or rehabilitation is to be  
35 performed for each craft, trade or classification of worker employed  
36 in the construction or rehabilitation, as if the construction or  
37 rehabilitation is "public work" as defined in section 2 of P.L.1963,  
38 c.150 (C.34:11-56.26).

39  
40 6. (New section) For the purpose of implementing the provisions  
41 of this act, the Commissioner of Labor shall, and a worker employed  
42 in the performance of work subject to this act may, exercise all rights,  
43 powers or duties granted or imposed upon them by P.L.1963, c.150  
44 (C.34:11-56.25 et seq.).

45  
46 7. (New section) The New Jersey Educational Facilities Authority

1 shall adopt rules and regulations requiring that not less than the  
2 prevailing wage be paid to workers employed in the construction or  
3 rehabilitation of facilities undertaken in connection with loans, loan  
4 guarantees, expenditures, investments, incentives or other financial  
5 assistance provided, authorized or administered by the authority. The  
6 prevailing wage rate shall be the rate determined by the Commissioner  
7 of Labor pursuant to the provisions of P.L.1963, c.150 (C.34:11-56.25  
8 et seq.).

9  
10 8. (New section) The provisions of sections 5 through 7 of this act  
11 shall not apply to construction and rehabilitation of facilities conducted  
12 entirely under contracts entered into prior to the effective date of this  
13 act or to the refinancing of the outstanding debt on projects in which  
14 all construction or rehabilitation of facilities was conducted under  
15 contracts entered into prior to the effective date of this act.

16  
17 9. (New section) Each worker employed in the construction or  
18 rehabilitation of facilities undertaken in connection with loans, loan  
19 guarantees, expenditures, investments, tax exemptions or other  
20 incentives or financial assistance approved, provided, authorized,  
21 facilitated or administered by the New Jersey Health Care Facilities  
22 Financing Authority, or undertaken to fulfill any condition of receiving  
23 any of the incentives or financial assistance, shall be paid not less than  
24 the prevailing wage rate for the worker's craft or trade, as determined  
25 by the Commissioner of Labor pursuant to P.L.1963, c.150 (C.34:11-  
26 56.25 et seq.). If the worker is paid less than the prevailing wage rate  
27 and the failure to pay the required wages is not, upon the notification  
28 of the failure by the commissioner or the authority, fully rectified by  
29 the contractor or subcontractor employing the worker:

30 a. The authority shall terminate the right of the contractor or  
31 subcontractor to proceed with the construction or rehabilitation work  
32 or the part of the work in which the required wages were not paid;

33 b. The authority may prosecute the work to completion and the  
34 contractor or subcontractor, or the surety of the contractor or  
35 subcontractor, shall be liable for all resulting excess costs.

36 The Commissioner of Labor shall determine the prevailing wage  
37 rate in the locality in which the construction or rehabilitation is to be  
38 performed for each craft, trade or classification of worker employed  
39 in the construction or rehabilitation, as if the construction or  
40 rehabilitation is "public work" as defined in section 2 of P.L.1963,  
41 c.150 (C.34:11-56.26).

42  
43 10. (New section) For the purpose of implementing the provisions  
44 of this act, the Commissioner of Labor shall, and a worker employed  
45 in the performance of work subject to this act may, exercise all rights,

1 powers or duties granted or imposed upon them by P.L.1963, c.150  
2 (C.34:11-56.25 et seq.).

3  
4 11. (New section) The New Jersey Health Care Facilities Financing  
5 Authority shall adopt rules and regulations requiring that not less than  
6 the prevailing wage be paid to workers employed in the construction  
7 or rehabilitation of facilities undertaken in connection with loans, loan  
8 guarantees, expenditures, investments, incentives or other financial  
9 assistance provided, authorized or administered by the authority. The  
10 prevailing wage rate shall be the rate determined by the Commissioner  
11 of Labor pursuant to the provisions of P.L.1963, c.150 (C.34:11-56.25  
12 et seq.).

13  
14 12. (New section) The provisions of sections 9 through 11 of this  
15 act shall not apply to construction and rehabilitation of facilities  
16 conducted entirely under contracts entered into prior to the effective  
17 date of this act or to the refinancing of the outstanding debt on  
18 projects in which all construction or rehabilitation of facilities was  
19 conducted under contracts entered into prior to the effective date of  
20 this act.

21  
22 13. (New section) Each worker employed in the construction or  
23 rehabilitation of facilities undertaken in connection with loans, loan  
24 guarantees, expenditures, investments, tax exemptions or other  
25 incentives or financial assistance approved, provided, authorized,  
26 facilitated or administered by a county improvement authority, or  
27 undertaken to fulfill any condition of receiving any of the incentives or  
28 financial assistance, shall be paid not less than the prevailing wage rate  
29 for the worker's craft or trade, as determined by the Commissioner of  
30 Labor pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.). If the  
31 worker is paid less than the prevailing wage rate and the failure to pay  
32 the required wages is not, upon the notification of the failure by the  
33 commissioner or the authority, fully rectified by the contractor or  
34 subcontractor employing the worker:

35 a. The authority shall terminate the right of the contractor or  
36 subcontractor to proceed with the construction or rehabilitation work  
37 or the part of the work in which the required wages were not paid;

38 b. The authority may prosecute the work to completion and the  
39 contractor or subcontractor, or the surety of the contractor or  
40 subcontractor, shall be liable for all resulting excess costs.

41 The Commissioner of Labor shall determine the prevailing wage  
42 rate in the locality in which the construction or rehabilitation is to be  
43 performed for each craft, trade or classification of worker employed  
44 in the construction or rehabilitation, as if the construction or  
45 rehabilitation is "public work" as defined in section 2 of P.L.1963,  
46 c.150 (C.34:11-56.26).

1 14. (New section) For the purpose of implementing the provisions  
2 of this act, the Commissioner of Labor shall, and a worker employed  
3 in the performance of work subject to this act may, exercise all rights,  
4 powers or duties granted or imposed upon them by P.L.1963, c.150  
5 (C.34:11-56.25 et seq.).

6  
7 15. (New section) Each county improvement authority shall adopt  
8 rules and regulations requiring that not less than the prevailing wage  
9 be paid to workers employed in the construction or rehabilitation of  
10 facilities undertaken in connection with loans, loan guarantees,  
11 expenditures, investments, incentives or other financial assistance  
12 provided, authorized or administered by the authority. The prevailing  
13 wage rate shall be the rate determined by the Commissioner of Labor  
14 pursuant to the provisions of P.L.1963, c.150 (C.34:11-56.25 et seq.).  
15

16 16. (New section) The provisions of section 13 through 15 of this  
17 act shall not apply to construction and rehabilitation of facilities  
18 conducted entirely under contracts entered into prior to the effective  
19 date of this act or to the refinancing of the outstanding debt on  
20 projects in which all construction or rehabilitation of facilities was  
21 conducted under contracts entered into prior to the effective date of  
22 this act.

23  
24 17. Section 42 of P.L.1983, c.530 (C.55:14K-42) is amended to  
25 read as follows:

26 42. Each qualified housing sponsor granted or authorized to  
27 receive a loan, loan guarantee, expenditure, investment, tax exemption  
28 or other incentive or financial assistance from or by the agency, the  
29 Council on Affordable Housing or the Department of Community  
30 Affairs, or any builder, contractor or subcontractor engaged by the  
31 qualified housing sponsor for the construction or rehabilitation of any  
32 housing project, shall pay the workmen employed in the performance  
33 of any contract for such construction or rehabilitation not less than the  
34 prevailing wage rate. The prevailing wage rate shall be determined by  
35 the Commissioner of the New Jersey Department of Labor in all cases,  
36 except that the prevailing rate shall be determined by the Secretary of  
37 the United States Department of Labor in accordance with [the  
38 Davis-Bacon Act as amended (40 U.S.C. 276a to 276a-5),]  
39 Pub.L.107-217 (40 U.S.C. 3141 et seq.), when the loan from the  
40 agency for the construction or rehabilitation of a housing project or  
41 the tenants of the housing project is the subject of direct or indirect  
42 federal assistance other than the federal tax exemption of the interest  
43 paid on the agency obligations.

44 The Commissioner of Labor is authorized to, and shall, determine  
45 the prevailing wage rate and shall establish the prevailing wage in the  
46 locality in which the construction or rehabilitation of any housing

1 project is to be performed for each craft or trade or classification of  
2 [all workmen] worker employed in the performance of such  
3 construction or rehabilitation, as if such construction or rehabilitation  
4 were "public work" within the meaning of P. L.1963, c.150  
5 (C.34:11-56.25 et seq.). For the purpose of carrying out the  
6 provisions of this section, the Commissioner of Labor and any  
7 [workmen] worker employed in the performance of any contract for  
8 the construction or rehabilitation of any housing project, shall have  
9 and may exercise or perform any right, power or duty granted or  
10 imposed upon them by P.L.1963, c.150.  
11 (cf: P.L.1983, c.530, s.42)

12

13 18. This act shall take effect immediately.

14

15

16

## STATEMENT

17

18 This bill requires that all construction or rehabilitation of facilities  
19 undertaken in connection with loans, loan guarantees, expenditures,  
20 investments, tax exemptions or other incentives or financial assistance  
21 approved, provided, authorized, facilitated or administered by the  
22 Casino Reinvestment Development Authority, the New Jersey  
23 Educational Facilities Authority, the New Jersey Health Care Facilities  
24 Financing Authority or any county improvement authority, or  
25 undertaken to fulfill any condition of receiving any of the incentives or  
26 financial assistance, be subject to the provisions of the "New Jersey  
27 Prevailing Wage Act," P.L.1963, c.150 (C.34:11-56.25 et seq.). The  
28 bill requires that each worker employed by a contractor or  
29 subcontractor for the construction or rehabilitation work be paid not  
30 less than the prevailing wage rate for the worker's craft or trade paid  
31 under collective bargaining agreements in the locality of the project.

32 If workers are paid less than the prevailing wage rate and the  
33 contractor or subcontractor fails to rectify the failure to pay the  
34 required wages upon notice by the appropriate authority or the  
35 Commissioner of Labor, the bill requires the authority to terminate the  
36 right of the contractor or subcontractor to proceed with the work or  
37 the part of the work in which the required wages were not paid, and  
38 permits the authority to complete the work and hold the contractor or  
39 subcontractor, or their sureties, liable for all resulting excess costs.

40 The bill also permits the worker to exercise all remedies available  
41 under the "New Jersey Prevailing Wage Act" and requires the  
42 Department of Labor to exercise its enforcement powers provided  
43 under that act.

44 The bill also extends the current prevailing wage requirement for  
45 construction and rehabilitation work performed under the New Jersey  
46 Housing and Mortgage Finance Agency loans for multi-family



**A1819 EGAN, VAN DREW**

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1 residential housing projects to cover construction and rehabilitation  
2 work performed under any incentive or financial assistance for multi-  
3 family residential housing projects granted or authorized by the  
4 agency, the Council on Affordable Housing or the Department of  
5 Community Affairs.

# ASSEMBLY LABOR COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 1819

with committee amendments

# STATE OF NEW JERSEY

DATED: FEBRUARY 19, 2004

The Assembly Labor Committee reports favorably, and with committee amendments, Assembly Bill No. 1819.

This bill, as amended by the committee, requires that all construction or rehabilitation of facilities undertaken in connection with loans, loan guarantees, expenditures, investments, tax exemptions or other incentives or financial assistance approved, provided, authorized, facilitated or administered by the Casino Reinvestment Development Authority, the New Jersey Educational Facilities Authority, the New Jersey Health Care Facilities Financing Authority or any county improvement authority, or undertaken to fulfill any condition of receiving any of the incentives or financial assistance, be subject to the provisions of the "New Jersey Prevailing Wage Act," P.L.1963, c.150 (C.34:11-56.25 et seq.). The bill requires that each worker employed by a contractor or subcontractor for the construction or rehabilitation work be paid not less than the prevailing wage rate for the worker's craft or trade paid under collective bargaining agreements in the locality of the project.

The bill permits the worker and the employer and any representative of the worker to exercise all remedies available under the "New Jersey Prevailing Wage Act" and requires the Department of Labor to exercise its enforcement powers provided under that act.

The committee amendments make the following changes in the bill:

1. The amendments remove from the bill the provisions which authorize the authority to terminate the right of a contractor or subcontractor to proceed with the work in which the required wages are were not paid, thus making any penalties consistent with those of the prevailing wage act.

2. Unamended, A-1819 extended the rights granted by the prevailing wage act to workers in public works projects covered by the bill. The amendments also extend those rights to employers and designated representatives of the workers.

3. The amendments remove from the bill the provision that would have extended the current prevailing wage requirement for construction and rehabilitation work performed under New Jersey Housing and Mortgage Finance Agency loans for multi-family

residential housing projects to cover construction and rehabilitation work performed under any incentive or financial assistance for multi-family residential housing projects granted or authorized by the agency, the Council on Affordable Housing or the Department of Community Affairs.

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

## **ASSEMBLY, No. 1819**

with Assembly committee amendments

# **STATE OF NEW JERSEY**

DATED: JUNE 14, 2004

The Assembly Appropriations Committee reports favorably Assembly Bill No. 1819 (1R), with committee amendments.

Assembly Bill No. 1819 (1R), as amended, requires that all construction or rehabilitation of facilities undertaken in connection with loans, loan guarantees, expenditures, investments, tax exemptions or other incentives or financial assistance approved, provided, authorized, facilitated or administered by the Casino Reinvestment Development Authority, the New Jersey Educational Facilities Authority, the New Jersey Health Care Facilities Financing Authority or any county improvement authority, or undertaken to fulfill any condition of receiving any of the incentives or financial assistance, be subject to the provisions of the New Jersey Prevailing Wage Act, P.L.1963, c.150 (C.34:11-56.25 et seq.). The bill requires that each worker employed by a contractor or subcontractor for the construction or rehabilitation work be paid not less than the prevailing wage rate for the worker's craft or trade paid under collective bargaining agreements in the locality of the project.

The bill permits the worker and the employer and any representative of the worker to exercise all remedies available under the "New Jersey Prevailing Wage Act" and requires the Department of Labor to exercise its enforcement powers provided under that act.

### FISCAL IMPACT:

This bill was not certified as requiring a fiscal note.

### COMMITTEE AMENDMENTS:

The amendments clarify that the rulemaking authority of the Casino Reinvestment Development Authority, the New Jersey Educational Facilities Authority and the New Jersey Health Care Facilities Financing Authority is to be exercised in consultation with the Commissioner of Labor and that the rules and regulations the authorities adopt are to be consistent with the rules and regulations of the Commissioner of Labor adopted under the New Jersey Prevailing Wage Act.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[Second Reprint]

## ASSEMBLY, No. 1819

# STATE OF NEW JERSEY

DATED: JUNE 22, 2004

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 1819 (2R).

Assembly Bill No. 1819 (2R) requires that all construction or rehabilitation of facilities undertaken in connection with loans, loan guarantees, expenditures, investments, tax exemptions or other incentives or financial assistance approved, provided, authorized, facilitated or administered by the Casino Reinvestment Development Authority, the New Jersey Educational Facilities Authority, the New Jersey Health Care Facilities Financing Authority or any county improvement authority, or undertaken to fulfill any condition of receiving any of the incentives or financial assistance, be subject to the provisions of the New Jersey Prevailing Wage Act, P.L.1963, c.150 (C.34:11-56.25 et seq.). The bill requires that each worker employed by a contractor or subcontractor for the construction or rehabilitation work be paid not less than the prevailing wage rate for the worker's craft or trade paid under collective bargaining agreements in the locality of the project.

The bill permits the worker and the employer and any representative of the worker to exercise all remedies available under the "New Jersey Prevailing Wage Act" and requires the Department of Labor to exercise its enforcement powers provided under that act.

### FISCAL IMPACT

This bill has not been certified as having a fiscal impact.

**SENATE, No. 598**

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**STATE OF NEW JERSEY**  
**211th LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2004 SESSION

**Sponsored by:**

**Senator FRED MADDEN**

**District 4 (Camden and Gloucester)**

**SYNOPSIS**

Extends prevailing wage requirements to projects of county improvement authorities, the CRDA, the Educational Facilities Financing Authority, the Health Care Facilities Financing Authority, COAH and DCA.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 2/10/2004)**

1 AN ACT concerning wages paid in construction and rehabilitation  
2 projects of certain instrumentalities of the State, amending  
3 P.L.1983, c.530 and supplementing parts of the statutory law.

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

7  
8 1. (New section) Each worker employed in the construction or  
9 rehabilitation of facilities undertaken in connection with loans, loan  
10 guarantees, expenditures, investments, tax exemptions or other  
11 incentives or financial assistance approved, provided, authorized,  
12 facilitated or administered by the Casino Reinvestment Development  
13 Authority, or undertaken to fulfill any condition of receiving any of the  
14 incentives or financial assistance, shall be paid not less than the  
15 prevailing wage rate for the worker's craft or trade, as determined by  
16 the Commissioner of Labor pursuant to P.L.1963, c.150 (C.34:11-  
17 56.25 et seq.). If the worker is paid less than the prevailing wage rate  
18 and the failure to pay the required wages is not, upon the notification  
19 of the failure by the commissioner or the authority, fully rectified by  
20 the contractor or subcontractor employing the worker:

21 a. The authority shall terminate the right of the contractor or  
22 subcontractor to proceed with the construction or rehabilitation work  
23 or the part of the work in which the required wages were not paid;

24 b. The authority may prosecute the work to completion and the  
25 contractor or subcontractor, or the surety of the contractor or  
26 subcontractor, shall be liable for all resulting excess costs.

27 The Commissioner of Labor shall determine the prevailing wage  
28 rate in the locality in which the construction or rehabilitation is to be  
29 performed for each craft, trade or classification of worker employed  
30 in the construction or rehabilitation, as if the construction or  
31 rehabilitation is "public work" as defined in section 2 of P.L.1963,  
32 c.150 (C.34:11-56.26).

33  
34 2. (New section) For the purpose of implementing the provisions  
35 of this act, the Commissioner of Labor shall, and a worker employed  
36 in the performance of work subject to this act may, exercise all rights,  
37 powers or duties granted or imposed upon them by P.L.1963, c.150  
38 (C.34:11-56.25 et seq.).

39  
40 3. (New section) The Casino Reinvestment Development Authority  
41 shall adopt rules and regulations requiring that not less than the  
42 prevailing wage be paid to workers employed in the construction or  
43 rehabilitation of facilities undertaken in connection with loans, loan

**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 guarantees, expenditures, investments, incentives or other financial  
2 assistance provided, authorized or administered by the authority. The  
3 prevailing wage rate shall be the rate determined by the Commissioner  
4 of Labor pursuant to the provisions of P.L.1963, c.150 (C.34:11-56.25  
5 et seq.).

6  
7 4. (New section) The provisions of sections 1 through 3 of this act  
8 shall not apply to construction and rehabilitation of facilities conducted  
9 entirely under contracts entered into prior to the effective date of this  
10 act or to the refinancing of the outstanding debt on projects in which  
11 all construction or rehabilitation of facilities was conducted under  
12 contracts entered into prior to the effective date of this act.

13  
14 5. (New section) Each worker employed in the construction or  
15 rehabilitation of facilities undertaken in connection with loans, loan  
16 guarantees, expenditures, investments, tax exemptions or other  
17 incentives or financial assistance approved, provided, authorized,  
18 facilitated or administered by the New Jersey Educational Facilities  
19 Authority, or undertaken to fulfill any condition of receiving any of the  
20 incentives or financial assistance, shall be paid not less than the  
21 prevailing wage rate for the worker's craft or trade, as determined by  
22 the Commissioner of Labor pursuant to P.L.1963, c.150 (C.34:11-  
23 56.25 et seq.). If the worker is paid less than the prevailing wage rate  
24 and the failure to pay the required wages is not, upon the notification  
25 of the failure by the commissioner or the authority, fully rectified by  
26 the contractor or subcontractor employing the worker:

27 a. The authority shall terminate the right of the contractor or  
28 subcontractor to proceed with the construction or rehabilitation work  
29 or the part of the work in which the required wages were not paid;

30 b. The authority may prosecute the work to completion and the  
31 contractor or subcontractor, or the surety of the contractor or  
32 subcontractor, shall be liable for all resulting excess costs.

33 The Commissioner of Labor shall determine the prevailing wage  
34 rate in the locality in which the construction or rehabilitation is to be  
35 performed for each craft, trade or classification of worker employed  
36 in the construction or rehabilitation, as if the construction or  
37 rehabilitation is "public work" as defined in section 2 of P.L.1963,  
38 c.150 (C.34:11-56.26).

39  
40 6. (New section) For the purpose of implementing the provisions  
41 of this act, the Commissioner of Labor shall, and a worker employed  
42 in the performance of work subject to this act may, exercise all rights,  
43 powers or duties granted or imposed upon them by P.L.1963, c.150  
44 (C.34:11-56.25 et seq.).

45  
46 7. (New section) The New Jersey Educational Facilities Authority



1 shall adopt rules and regulations requiring that not less than the  
2 prevailing wage be paid to workers employed in the construction or  
3 rehabilitation of facilities undertaken in connection with loans, loan  
4 guarantees, expenditures, investments, incentives or other financial  
5 assistance provided, authorized or administered by the authority. The  
6 prevailing wage rate shall be the rate determined by the Commissioner  
7 of Labor pursuant to the provisions of P.L.1963, c.150 (C.34:11-56.25  
8 et seq.).

9  
10 8. (New section) The provisions of sections 5 through 7 of this act  
11 shall not apply to construction and rehabilitation of facilities conducted  
12 entirely under contracts entered into prior to the effective date of this  
13 act or to the refinancing of the outstanding debt on projects in which  
14 all construction or rehabilitation of facilities was conducted under  
15 contracts entered into prior to the effective date of this act.

16  
17 9. (New section) Each worker employed in the construction or  
18 rehabilitation of facilities undertaken in connection with loans, loan  
19 guarantees, expenditures, investments, tax exemptions or other  
20 incentives or financial assistance approved, provided, authorized,  
21 facilitated or administered by the New Jersey Health Care Facilities  
22 Financing Authority, or undertaken to fulfill any condition of receiving  
23 any of the incentives or financial assistance, shall be paid not less than  
24 the prevailing wage rate for the worker's craft or trade, as determined  
25 by the Commissioner of Labor pursuant to P.L.1963, c.150 (C.34:11-  
26 56.25 et seq.). If the worker is paid less than the prevailing wage rate  
27 and the failure to pay the required wages is not, upon the notification  
28 of the failure by the commissioner or the authority, fully rectified by  
29 the contractor or subcontractor employing the worker:

30 a. The authority shall terminate the right of the contractor or  
31 subcontractor to proceed with the construction or rehabilitation work  
32 or the part of the work in which the required wages were not paid;

33 b. The authority may prosecute the work to completion and the  
34 contractor or subcontractor, or the surety of the contractor or  
35 subcontractor, shall be liable for all resulting excess costs.

36 The Commissioner of Labor shall determine the prevailing wage  
37 rate in the locality in which the construction or rehabilitation is to be  
38 performed for each craft, trade or classification of worker employed  
39 in the construction or rehabilitation, as if the construction or  
40 rehabilitation is "public work" as defined in section 2 of P.L.1963,  
41 c.150 (C.34:11-56.26).

42  
43 10. (New section) For the purpose of implementing the provisions  
44 of this act, the Commissioner of Labor shall, and a worker employed  
45 in the performance of work subject to this act may, exercise all rights,  
46 powers or duties granted or imposed upon them by P.L.1963, c.150  
47 (C.34:11-56.25 et seq.).

1       11. (New section) The New Jersey Health Care Facilities Financing  
2 Authority shall adopt rules and regulations requiring that not less than  
3 the prevailing wage be paid to workers employed in the construction  
4 or rehabilitation of facilities undertaken in connection with loans, loan  
5 guarantees, expenditures, investments, incentives or other financial  
6 assistance provided, authorized or administered by the authority. The  
7 prevailing wage rate shall be the rate determined by the Commissioner  
8 of Labor pursuant to the provisions of P.L.1963, c.150 (C.34:11-56.25  
9 et seq.).

10  
11       12. (New section) The provisions of sections 9 through 11 of this  
12 act shall not apply to construction and rehabilitation of facilities  
13 conducted entirely under contracts entered into prior to the effective  
14 date of this act or to the refinancing of the outstanding debt on  
15 projects in which all construction or rehabilitation of facilities was  
16 conducted under contracts entered into prior to the effective date of  
17 this act.

18  
19       13. (New section) Each worker employed in the construction or  
20 rehabilitation of facilities undertaken in connection with loans, loan  
21 guarantees, expenditures, investments, tax exemptions or other  
22 incentives or financial assistance approved, provided, authorized,  
23 facilitated or administered by a county improvement authority, or  
24 undertaken to fulfill any condition of receiving any of the incentives or  
25 financial assistance, shall be paid not less than the prevailing wage rate  
26 for the worker's craft or trade, as determined by the Commissioner of  
27 Labor pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.). If the  
28 worker is paid less than the prevailing wage rate and the failure to pay  
29 the required wages is not, upon the notification of the failure by the  
30 commissioner or the authority, fully rectified by the contractor or  
31 subcontractor employing the worker:

32       a. The authority shall terminate the right of the contractor or  
33 subcontractor to proceed with the construction or rehabilitation work  
34 or the part of the work in which the required wages were not paid;

35       b. The authority may prosecute the work to completion and the  
36 contractor or subcontractor, or the surety of the contractor or  
37 subcontractor, shall be liable for all resulting excess costs.

38       The Commissioner of Labor shall determine the prevailing wage  
39 rate in the locality in which the construction or rehabilitation is to be  
40 performed for each craft, trade or classification of worker employed  
41 in the construction or rehabilitation, as if the construction or  
42 rehabilitation is "public work" as defined in section 2 of P.L.1963,  
43 c.150 (C.34:11-56.26).

44  
45       14. (New section) For the purpose of implementing the provisions  
46 of this act, the Commissioner of Labor shall, and a worker employed

1 in the performance of work subject to this act may, exercise all rights,  
2 powers or duties granted or imposed upon them by P.L.1963, c.150  
3 (C.34:11-56.25 et seq.).  
4

5 15. (New section) Each county improvement authority shall adopt  
6 rules and regulations requiring that not less than the prevailing wage  
7 be paid to workers employed in the construction or rehabilitation of  
8 facilities undertaken in connection with loans, loan guarantees,  
9 expenditures, investments, incentives or other financial assistance  
10 provided, authorized or administered by the authority. The prevailing  
11 wage rate shall be the rate determined by the Commissioner of Labor  
12 pursuant to the provisions of P.L.1963, c.150 (C.34:11-56.25 et seq.).  
13

14 16. (New section) The provisions of section 13 through 15 of this  
15 act shall not apply to construction and rehabilitation of facilities  
16 conducted entirely under contracts entered into prior to the effective  
17 date of this act or to the refinancing of the outstanding debt on  
18 projects in which all construction or rehabilitation of facilities was  
19 conducted under contracts entered into prior to the effective date of  
20 this act.  
21

22 17. Section 42 of P.L.1983, c.530 (C.55:14K-42) is amended to  
23 read as follows:

24 42. Each qualified housing sponsor granted or authorized to  
25 receive a loan, loan guarantee, expenditure, investment, tax exemption  
26 or other incentive or financial assistance from or by the agency, the  
27 Council on Affordable Housing or the Department of Community  
28 Affairs, or any builder, contractor or subcontractor engaged by the  
29 qualified housing sponsor for the construction or rehabilitation of any  
30 housing project, shall pay the workmen employed in the performance  
31 of any contract for such construction or rehabilitation not less than the  
32 prevailing wage rate. The prevailing wage rate shall be determined by  
33 the Commissioner of the New Jersey Department of Labor in all cases,  
34 except that the prevailing rate shall be determined by the Secretary of  
35 the United States Department of Labor in accordance with [the  
36 Davis-Bacon Act as amended (40 U.S.C. 276a to 276a-5),]  
37 Pub.L.107-217 (40 U.S.C. 3141 et seq.), when the loan from the  
38 agency for the construction or rehabilitation of a housing project or  
39 the tenants of the housing project is the subject of direct or indirect  
40 federal assistance other than the federal tax exemption of the interest  
41 paid on the agency obligations.

42 The Commissioner of Labor is authorized to, and shall, determine  
43 the prevailing wage rate and shall establish the prevailing wage in the  
44 locality in which the construction or rehabilitation of any housing  
45 project is to be performed for each craft or trade or classification of  
46 [all workmen] worker employed in the performance of such

1 construction or rehabilitation, as if such construction or rehabilitation  
2 were "public work" within the meaning of P.L.1963, c.150  
3 (34:11-56.25 et seq.). For the purpose of carrying out the provisions  
4 of this section, the Commissioner of Labor and any [workmen]  
5 worker employed in the performance of any contract for the  
6 construction or rehabilitation of any housing project, shall have and  
7 may exercise or perform any right, power or duty granted or imposed  
8 upon them by P.L.1963, c.150.  
9 (cf: P.L.1983, c.530, s.42)

10  
11 18. This act shall take effect immediately.  
12  
13

#### 14 STATEMENT

15  
16 This bill requires that all construction or rehabilitation of facilities  
17 undertaken in connection with loans, loan guarantees, expenditures,  
18 investments, tax exemptions or other incentives or financial assistance  
19 approved, provided, authorized, facilitated or administered by the  
20 Casino Reinvestment Development Authority, the New Jersey  
21 Educational Facilities Authority, the New Jersey Health Care Facilities  
22 Financing Authority or any county improvement authority, or  
23 undertaken to fulfill any condition of receiving any of the incentives or  
24 financial assistance, be subject to the provisions of the "New Jersey  
25 Prevailing Wage Act," P.L.1963, c.150 (C.34:11-56.25 et seq.). The  
26 bill requires that each worker employed by a contractor or  
27 subcontractor for the construction or rehabilitation work be paid not  
28 less than the prevailing wage rate for the worker's craft or trade paid  
29 under collective bargaining agreements in the locality of the project.

30 If workers are paid less than the prevailing wage rate and the  
31 contractor or subcontractor fails to rectify the failure to pay the  
32 required wages upon notice by the appropriate authority or the  
33 Commissioner of Labor, the bill requires the authority to terminate the  
34 right of the contractor or subcontractor to proceed with the work or  
35 the part of the work in which the required wages were not paid, and  
36 permits the authority to complete the work and hold the contractor or  
37 subcontractor, or their sureties, liable for all resulting excess costs.

38 The bill also permits the worker to exercise all remedies available  
39 under the "New Jersey Prevailing Wage Act" and requires the  
40 Department of Labor to exercise its enforcement powers provided  
41 under that act.

42 The bill also extends the current prevailing wage requirement for  
43 construction and rehabilitation work performed under the New Jersey  
44 Housing and Mortgage Finance Agency loans for multi-family  
45 residential housing projects to cover construction and rehabilitation  
46 work performed under any incentive or financial assistance for multi-

**S598 MADDEN**

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1 family residential housing projects granted or authorized by the  
2 agency, the Council on Affordable Housing or the Department of  
3 Community Affairs.

# SENATE LABOR COMMITTEE

## STATEMENT TO

### **SENATE, No. 598**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: FEBRUARY 9, 2004

The Senate Labor Committee reports favorably and with committee amendments Senate Bill No. 598.

As amended, this bill requires that all construction or rehabilitation of facilities undertaken in connection with loans, loan guarantees, expenditures, investments, tax exemptions or other incentives or financial assistance approved, provided, authorized, facilitated or administered by the Casino Reinvestment Development Authority, the New Jersey Educational Facilities Authority, the New Jersey Health Care Facilities Financing Authority or any county improvement authority, or undertaken to fulfill any condition of receiving any of the incentives or financial assistance, be subject to the provisions of the "New Jersey Prevailing Wage Act," P.L.1963, s.150 (C.34:11-56.25 et seq.). The bill requires that each worker employed by a contractor or subcontractor for the construction or rehabilitation work be paid not less than the prevailing wage rate for the worker's craft or trade paid under collective bargaining agreements in the locality of the project.

The amendments remove from the bill the provisions which authorize the authority to terminate the right of a contractor or subcontractor to proceed with the work in which the required wages were not paid, thus making any penalties consistent with those of the prevailing wage act.

Unamended, the bill extends the rights granted by the prevailing wage act to workers in public works projects covered by the bill. The amendments also extend those rights to employers and representatives of the workers.

Moreover, the amendments remove from the bill the provision that would extend the current prevailing wage requirement for construction and rehabilitation work performed under New Jersey Housing and Mortgage Finance Agency loans for multi-family residential housing projects to cover construction and rehabilitation work performed under any incentive or financial assistance for multi-family residential housing projects granted or authorized by the agency, the Council on Affordable Housing or the Department of Community Affairs.

STATEMENT TO  
[First Reprint]  
**SENATE, No. 598**

with Senate Floor Amendments  
(Proposed by Senator MADDEN)

ADOPTED: JUNE 24, 2004

These amendments clarify that the rulemaking authority relative to prevailing wage requirements granted by the bill to the Casino Reinvestment Development Authority, the New Jersey Educational Facilities Authority, the New Jersey Health Care Facilities Financing Authority and a county improvement authority is to be exercised in consultation with the Commissioner of Labor and that the rules and regulations the authorities adopt are to be consistent with the rules and regulations of the Commissioner of Labor adopted under the "New Jersey Prevailing Wage Act."

## Office of the Governor

### News Releases

[Previous Screen](#)

PO BOX 004  
TRENTON, NJ 08625

Contact: Micah Rasmussen  
609-777-2600

RELEASE: August 23, 2004

### **McGreevey Signs Law Extending New Jersey's Prevailing Wage Act**

(TRENTON) – Governor James E. McGreevey took another step forward for New Jersey's labor force today, by enacting legislation that will extend New Jersey's prevailing wage law to all construction projects awarded by certain State authorities.

“We have built a solid reputation for New Jersey as a State that protects its workers. Our prior successes include recovering \$25.7 million in wages that were unfairly held back due to violations of wage and hour laws; and our status as first State in the nation to sign project labor agreement legislation,” Governor McGreevey said.

“Today, by expanding the Prevailing Wage Act, we are taking another needed step for hardworking New Jerseyans,” the Governor said.

The New Jersey Prevailing Wage Act requires that workers on public-funded construction projects receive prevailing wage rates. The Act establishes a fair bidding mechanism for both union and non-union workers.

Under the previous law, the Act applied to public works contracts awarded by the State, a political subdivision of the State, or a regional school board.

By signing the bill A-1819, Governor McGreevey extended the Act to cover workers on all construction or rehabilitation projects administered by the Casino Reinvestment Development Authority, the New Jersey Educational Facilities Authority, the New Jersey Health Care Facilities Financing Authority, or any county improvement authority.

Failure to follow the new regulations would result in termination of the project's contractor, and would allow the contracting authority to finish the project at the contractor's or subcontractor's expense.

*A copy of the legislation signed by Governor McGreevey may be viewed by entering the*



**bill number at <http://www.njleg.state.nj.us/>.**

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