

**34:15D-33 & 34:15D-34**  
**LEGISLATIVE HISTORY CHECKLIST**

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**LAWS OF:** 2021                      **CHAPTER:** 166

**NJSA:** 34:15D-33 & 34:15D-34 (Creates "Office of Strategic Enforcement and Compliance" in DOLWD; appropriates \$1 million from General Fund)

**BILL NO:** A5891                      (Substituted for S3921)

**SPONSOR(S)** Joseph V. Egan and others

**DATE INTRODUCED:** 6/9/2021

**COMMITTEE:**                      **ASSEMBLY:** Appropriations

**SENATE:** ---

**AMENDED DURING PASSAGE:** No

**DATE OF PASSAGE:**                      **ASSEMBLY:** 6/21/2021

**SENATE:** 6/30/2021

**DATE OF APPROVAL:** 7/8/2021

**FOLLOWING ARE ATTACHED IF AVAILABLE:**

**FINAL TEXT OF BILL** (Introduced Bill enacted) Yes

**A5891**

**INTRODUCED BILL (INCLUDES SPONSOR'S STATEMENT):** Yes

**COMMITTEE STATEMENT:**                      **ASSEMBLY:** Yes

**SENATE:** No

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at [www.njleg.state.nj.us](http://www.njleg.state.nj.us))

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** Yes

**S3921**

**INTRODUCED BILL (INCLUDES SPONSOR'S STATEMENT):** Yes

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

**SENATE:** Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at [www.njleg.state.nj.us](http://www.njleg.state.nj.us))

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** Yes

**VETO MESSAGE:** No  
**GOVERNOR'S PRESS RELEASE ON SIGNING:** Yes

**FOLLOWING WERE PRINTED:**

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

**REPORTS:** No

**HEARINGS:** No

**NEWSPAPER ARTICLES:** Yes

Johnson, Brent. "New laws to benefit misclassified workers, the self-employed." *South Jersey Times (NJ)*, July 9, 2021: 004.

RH/CL

§§1,2  
C.34:15D-33  
& 34:15D-34  
§3  
Approp.

P.L. 2021, CHAPTER 166, *approved July 8, 2021*  
Assembly, No. 5891

1 AN ACT concerning the establishment of the “Office of Strategic  
2 Enforcement and Compliance” in the Department of Labor and  
3 Workforce Development and supplementing Title 34 of the  
4 Revised Statutes.

5

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

8

9 1. As used in this act:

10 “Commissioner” means the Commissioner of Labor and  
11 Workforce Development, or the commissioner’s designee.

12 “Department” means the Department of Labor and Workforce  
13 Development.

14 “Direct business assistance from the department” means  
15 monetary or financial assistance in any form, including but not  
16 limited to a grant or other monetary or financial benefit awarded to  
17 a person by the department to assist the person in the conduct or  
18 operation of a business, occupation, trade, or profession in the  
19 State, in connection with the following programs:

20 (1) Customized training services provided pursuant to section 5  
21 of P.L.1992, c.43 (C.34:15D-5);

22 (2) Employment and training services provided pursuant to  
23 section 6 of P.L.1992, c.43 (C.34:15D-6);

24 (3) Employment and training services funded by the  
25 Supplemental Workforce Fund for Basic Skills under section 1 of  
26 P.L.2001, c.152 (C.34:15D-21);

27 (4) Outreach and training programs for minority group members  
28 and women in construction trade occupations or other occupations  
29 utilized in the performance of public works contracts funded by the  
30 New Jersey Builders Utilization Initiative for Labor Diversity  
31 (NJBUILD) pursuant to section 1 of P.L.2009, c.313 (C.52:38-7);

32 (5) The New Jersey Innovation and Research Fellowship  
33 Program pursuant to section 3 of P.L.2015, c.235 (C.34:15D-26);

34 (6) The Apprenticeship Start-Up Grant Program pursuant to  
35 section 3 of P.L.2019, c.417 (C.34:15D-6.1);

36 (7) The Apprentice Assistance and Support Services Pilot  
37 Program pursuant to section 1 of P.L.2019, c.419 (C.34:15D-6.2);

38 (8) The New Jersey Pathways Leading Apprentices to a College  
39 Education (NJPLACE) Program pursuant to section 1 of P.L.2009,  
40 c.200 (C.34:15D-24);

1 (9) Any other program funded in whole or in part by the  
2 Workforce Development Partnership Fund established under section  
3 9 of P.L.1992, c.43 (C.34:15D-9);

4 (10) Any program funded by or through the Department in  
5 whole or in part under the “Workforce Innovation and Opportunity  
6 Act,” (29 U.S.C. s.3101 et seq.);

7 (11) Any program funded by or through the Department in  
8 whole or in part under the “Wagner-Peyser Act,” (29 U.S.C. s.49 et  
9 seq.);

10 (12) The Talent Network Program pursuant to section 2 of  
11 P.L.2019, c.125 (C.34:15D-29);

12 (13) The industry-valued Credentials pilot program pursuant to  
13 P.L.2019, c.252 (C.34:15D-30 et seq.);

14 (14) The High-Growth Industry Regional Apprenticeship  
15 Development Grant Pilot Program pursuant to P.L.2019, c.314  
16 (C.34:15D-32);

17 (15) The Youth Transitions to Work Partnership pursuant to  
18 P.L.1993, c.268 (C.34:15E-1 et seq.);

19 (16) The At-Risk Youth Mentoring Program pursuant to  
20 P.L.1999, c.279 (C.34:15F-1 et seq.); and

21 (17) Any other similar program by which the department confers  
22 a monetary or financial benefit upon a person to assist the person in  
23 the conduct or operation of a business, occupation, trade or  
24 profession in the State.

25 "Final order" means either a final administrative determination of  
26 the Commissioner issued following adjudication of a matter as a  
27 contested case pursuant to the “Administrative Procedure Act,”  
28 P.L.1968, c.410 (C.52:14B-1 et seq.), and the Uniform  
29 Administrative Procedure Rules, N.J.A.C.1:1, or where the  
30 department has made a finding regarding a violation of law or rule,  
31 or regarding the levying of a penalty or fee pursuant to law or rule,  
32 and has notified the violator of same and where the violator has  
33 either expressly waived the right to a hearing or has waived the  
34 right to a hearing by virtue of having failed to request same within  
35 the appropriate time limit established by either law or rule.

36 “Person” means a natural person or an organization, including  
37 but not limited to, a corporation, partnership, proprietorship, limited  
38 liability company, association, cooperative, joint venture, estate,  
39 trust, or government unit.

40 “Strategic enforcement” means a proactive, rather than purely  
41 complaint driven, approach to enforcement, which focuses agency  
42 resources to assist vulnerable employee communities and target  
43 high-violation industries with the ultimate goal of increasing the  
44 cost to violators of non-compliance, thereby changing non-  
45 compliant behavior in a sustainable way.

46 “State wage, benefit and tax laws” means “State wage, benefit  
47 and tax laws” as that term is defined in section 1 of P.L.2009, c.194  
48 (C.34:1A-1.11).

1       2. a. There is hereby established in the department an “Office  
2 of Strategic Enforcement and Compliance,” which shall oversee and  
3 coordinate across the divisions of the department and, when  
4 necessary, between the department and other State agencies and  
5 entities, strategic enforcement of State wage, benefit and tax laws,  
6 as deemed appropriate by the commissioner.

7       b. Each division within the department selected by the  
8 commissioner shall designate at least one employee whose duties  
9 shall include, among others, serving as a liaison with the “Office of  
10 Strategic Enforcement and Compliance.”

11       c. The commissioner shall devote departmental resources,  
12 including those of the department’s Office of Research and  
13 Information, to support a data-driven approach to the work of the  
14 “Office of Strategic Enforcement and Compliance.”

15       d. (1) As a precondition to the award to a person of direct  
16 business assistance from the department, and as a precondition for  
17 the department to report to another State agency or entity that a  
18 business is in substantial good standing, the department shall  
19 determine whether the person has any outstanding liability to the  
20 department under any of the statutes or rules that the department  
21 enforces, including but not limited to, for unpaid contributions to  
22 the unemployment compensation fund or the State disability  
23 benefits fund; to any individual on whose behalf the department has  
24 issued a final order for the payment of wages or benefits; or for any  
25 penalties, fees or interest due the department pursuant to a final  
26 order issued under any of the statutes or rules that the department  
27 enforces.

28       An as an example, prior to the department reporting substantial  
29 good standing as required under the “New Jersey Economic  
30 Recovery Act of 2020,” P.L.2020, c.156 (C.34:1B-269 et al.), the  
31 department shall complete the determination required by this  
32 paragraph.

33       If the department determines that a person has any outstanding  
34 liability to the department under any of the statutes or rules that the  
35 department enforces, the application by the person for direct  
36 business assistance from the department shall be denied, and it shall  
37 be reported to any inquiring State agency or entity that the business  
38 is not in substantial good standing. If a person is seeking the award  
39 of direct business assistance from the department, or where a report  
40 has been requested as to whether the person is in substantial good  
41 standing with the department, if the person has entered into an  
42 agreement with the department to immediately and fully comply  
43 with the statutes and rules enforced by the department and to  
44 resolve all delinquencies or deficiencies within a time period  
45 specified by the commissioner, then the commissioner may approve  
46 the award of direct business assistance from the department, or  
47 issue a report that the person is in substantial good standing with  
48 the department, notwithstanding the outstanding liability to the

1 department under any of the statutes or rules that the department  
2 enforces.

3 (2) The “Office of Strategic Enforcement and Compliance” shall  
4 oversee and coordinate review processes good standing with the  
5 Department’s laws and rules as determined under paragraph (1) of  
6 this subsection.

7  
8 3. There is appropriated from the General Fund to the  
9 Department of Labor and Workforce Development, \$1,000,000 to  
10 support and expand the “Office of Strategic Enforcement and  
11 Compliance” established within the department under this act.

12  
13 4. This act shall take effect immediately.

14  
15  
16 STATEMENT

17  
18 This bill creates the “Office of Strategic Enforcement and  
19 Compliance” within the Department of Labor and Workforce  
20 Development to oversee and coordinate across the divisions of the  
21 department and, when necessary, between the department and other  
22 State agencies and entities, strategic enforcement of State wage,  
23 benefit and tax laws, as deemed appropriate by the commissioner.

24 The bill provides that as a precondition to the award to a person  
25 of direct business assistance from the department, and as a  
26 precondition for the department to report to another State agency or  
27 entity that a business is in substantial good standing, the department  
28 is required to determine whether the person has any outstanding  
29 liability to the department under any of the statutes or rules that the  
30 department enforces, including but not limited to, for unpaid  
31 contributions to the unemployment compensation fund or the State  
32 disability benefits fund; to any individual on whose behalf the  
33 department has issued a final order for the payment of wages or  
34 benefits; or for any penalties, fees or interest due the department  
35 pursuant to a final order issued under any of the statutes or rules  
36 that the department enforces.

37 If the department determines that a person has any outstanding  
38 liability to the department under any of the statutes or rules that the  
39 department enforces, the bill provides that the application by the  
40 person for direct business assistance from the department will be  
41 denied, and it will be reported to any inquiring State agency or  
42 entity that the business is not in substantial good standing. If a  
43 person is seeking the award of direct business assistance from the  
44 department, or where a report has been requested as to whether the  
45 person is in substantial good standing with the department, the bill  
46 provides that if the person has entered into an agreement with the  
47 department to immediately and fully comply with the statutes and  
48 rules enforced by the department and to resolve all delinquencies or

1 deficiencies within a time period specified by the commissioner,  
2 then the commissioner may approve the award of direct business  
3 assistance from the department, or issue a report that the person is  
4 in substantial good standing with the department, notwithstanding  
5 the outstanding liability to the department under any of the statutes  
6 or rules that the department enforces.

7 The bill appropriates from the General Fund to the Department  
8 of Labor and Workforce Development, \$1 million to support and  
9 expand the “Office of Strategic Enforcement and Compliance” to  
10 effectuate the purposes of the bill.

11

12

13

14

15 Creates “Office of Strategic Enforcement and Compliance” in  
16 DOLWD; appropriates \$1 million from General Fund.

**CHAPTER 166**  
**(CORRECTED COPY)**

**AN ACT** concerning the establishment of the “Office of Strategic Enforcement and Compliance” in the Department of Labor and Workforce Development and supplementing Title 34 of the Revised Statutes.

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

C.34:15D-33 Definitions.

1. As used in this act:

“Commissioner” means the Commissioner of Labor and Workforce Development, or the commissioner’s designee.

“Department” means the Department of Labor and Workforce Development.

“Direct business assistance from the department” means monetary or financial assistance in any form, including but not limited to a grant or other monetary or financial benefit awarded to a person by the department to assist the person in the conduct or operation of a business, occupation, trade, or profession in the State, in connection with the following programs:

(1) Customized training services provided pursuant to section 5 of P.L.1992, c.43 (C.34:15D-5);

(2) Employment and training services provided pursuant to section 6 of P.L.1992, c.43 (C.34:15D-6);

(3) Employment and training services funded by the Supplemental Workforce Fund for Basic Skills under section 1 of P.L.2001, c.152 (C.34:15D-21);

(4) Outreach and training programs for minority group members and women in construction trade occupations or other occupations utilized in the performance of public works contracts funded by the New Jersey Builders Utilization Initiative for Labor Diversity (NJBUILD) pursuant to section 1 of P.L.2009, c.313 (C.52:38-7);

(5) The New Jersey Innovation and Research Fellowship Program pursuant to section 3 of P.L.2015, c.235 (C.34:15D-26);

(6) The Apprenticeship Start-Up Grant Program pursuant to section 3 of P.L.2019, c.417 (C.34:15D-6.1);

(7) The Apprentice Assistance and Support Services Pilot Program pursuant to section 1 of P.L.2019, c.419 (C.34:15D-6.2);

(8) The New Jersey Pathways Leading Apprentices to a College Education (NJPLACE) Program pursuant to section 1 of P.L.2009, c.200 (C.34:15D-24);

(9) Any other program funded in whole or in part by the Workforce Development Partnership Fund established under section 9 of P.L.1992, c.43 (C.34:15D-9);

(10) Any program funded by or through the Department in whole or in part under the “Workforce Innovation and Opportunity Act,” (29 U.S.C. s.3101 et seq.);

(11) Any program funded by or through the Department in whole or in part under the “Wagner-Peyser Act,” (29 U.S.C. s.49 et seq.);

(12) The Talent Network Program pursuant to section 2 of P.L.2019, c.125 (C.34:15D-29);

(13) The industry-valued Credentials pilot program pursuant to P.L.2019, c.252 (C.34:15D-30 et seq.);

(14) The High-Growth Industry Regional Apprenticeship Development Grant Pilot Program pursuant to P.L.2019, c.314 (C.34:15D-32);



(15) The Youth Transitions to Work Partnership pursuant to P.L.1993, c.268 (C.34:15E-1 et seq.);

(16) The At-Risk Youth Mentoring Program pursuant to P.L.1999, c.279 (C.34:15F-1 et seq.); and

(17) Any other similar program by which the department confers a monetary or financial benefit upon a person to assist the person in the conduct or operation of a business, occupation, trade or profession in the State.

"Final order" means either a final administrative determination of the Commissioner issued following adjudication of a matter as a contested case pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), and the Uniform Administrative Procedure Rules, N.J.A.C.1:1, or where the department has made a finding regarding a violation of law or rule, or regarding the levying of a penalty or fee pursuant to law or rule, and has notified the violator of same and where the violator has either expressly waived the right to a hearing or has waived the right to a hearing by virtue of having failed to request same within the appropriate time limit established by either law or rule.

"Person" means a natural person or an organization, including but not limited to, a corporation, partnership, proprietorship, limited liability company, association, cooperative, joint venture, estate, trust, or government unit.

"Strategic enforcement" means a proactive, rather than purely complaint driven, approach to enforcement, which focuses agency resources to assist vulnerable employee communities and target high-violation industries with the ultimate goal of increasing the cost to violators of non-compliance, thereby changing non-compliant behavior in a sustainable way.

"State wage, benefit and tax laws" means "State wage, benefit and tax laws" as that term is defined in section 1 of P.L.2009, c.194 (C.34:1A-1.11).

C.34:15D-34 "Office of Strategic Enforcement and Compliance."

2. a. There is hereby established in the department an "Office of Strategic Enforcement and Compliance," which shall oversee and coordinate across the divisions of the department and, when necessary, between the department and other State agencies and entities, strategic enforcement of State wage, benefit and tax laws, as deemed appropriate by the commissioner.

b. Each division within the department selected by the commissioner shall designate at least one employee whose duties shall include, among others, serving as a liaison with the "Office of Strategic Enforcement and Compliance."

c. The commissioner shall devote departmental resources, including those of the department's Office of Research and Information, to support a data-driven approach to the work of the "Office of Strategic Enforcement and Compliance."

d. (1) As a precondition to the award to a person of direct business assistance from the department, and as a precondition for the department to report to another State agency or entity that a business is in substantial good standing, the department shall determine whether the person has any outstanding liability to the department under any of the statutes or rules that the department enforces, including but not limited to, for unpaid contributions to the unemployment compensation fund or the State disability benefits fund; to any individual on whose behalf the department has issued a final order for the payment of wages or benefits; or for any penalties, fees or interest due the department pursuant to a final order issued under any of the statutes or rules that the department enforces.

As an example, prior to the department reporting substantial good standing as required under the “New Jersey Economic Recovery Act of 2020,” P.L.2020, c.156 (C.34:1B-269 et al.), the department shall complete the determination required by this paragraph.

If the department determines that a person has any outstanding liability to the department under any of the statutes or rules that the department enforces, the application by the person for direct business assistance from the department shall be denied, and it shall be reported to any inquiring State agency or entity that the business is not in substantial good standing. If a person is seeking the award of direct business assistance from the department, or where a report has been requested as to whether the person is in substantial good standing with the department, if the person has entered into an agreement with the department to immediately and fully comply with the statutes and rules enforced by the department and to resolve all delinquencies or deficiencies within a time period specified by the commissioner, then the commissioner may approve the award of direct business assistance from the department, or issue a report that the person is in substantial good standing with the department, notwithstanding the outstanding liability to the department under any of the statutes or rules that the department enforces.

(2) The “Office of Strategic Enforcement and Compliance” shall oversee and coordinate review processes good standing with the Department’s laws and rules as determined under paragraph (1) of this subsection.

3. There is appropriated from the General Fund to the Department of Labor and Workforce Development, \$1,000,000 to support and expand the “Office of Strategic Enforcement and Compliance” established within the department under this act.

4. This act shall take effect immediately.

Approved July 8, 2021.

# ASSEMBLY, No. 5891

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JUNE 9, 2021

**Sponsored by:**

**Assemblyman JOSEPH V. EGAN**

**District 17 (Middlesex and Somerset)**

**Assemblyman ROBERT J. KARABINCHAK**

**District 18 (Middlesex)**

**Assemblyman PARKER SPACE**

**District 24 (Morris, Sussex and Warren)**

**Senator FRED H. MADDEN, JR.**

**District 4 (Camden and Gloucester)**

**Senator STEVEN V. OROHO**

**District 24 (Morris, Sussex and Warren)**

**Co-Sponsored by:**

**Assemblymen Wirths, Verrelli, Senators Greenstein, Singleton and Lagana**

**SYNOPSIS**

Creates “Office of Strategic Enforcement and Compliance” in DOLWD; appropriates \$1 million from General Fund.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/30/2021)**

1 AN ACT concerning the establishment of the “Office of Strategic  
2 Enforcement and Compliance” in the Department of Labor and  
3 Workforce Development and supplementing Title 34 of the  
4 Revised Statutes.

5

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

8

9 1. As used in this act:

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11 Workforce Development, or the commissioner’s designee.

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43

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45 of Strategic Enforcement and Compliance,” which shall oversee and  
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38 agreement with the department to immediately and fully comply  
39 with the statutes and rules enforced by the department and to  
40 resolve all delinquencies or deficiencies within a time period  
41 specified by the commissioner, then the commissioner may approve  
42 the award of direct business assistance from the department, or  
43 issue a report that the person is in substantial good standing with  
44 the department, notwithstanding the outstanding liability to the  
45 department under any of the statutes or rules that the department  
46 enforces.

1 (2) The “Office of Strategic Enforcement and Compliance” shall  
2 oversee and coordinate review processes good standing with the  
3 Department’s laws and rules as determined under paragraph (1) of  
4 this subsection.

5  
6 3. There is appropriated from the General Fund to the  
7 Department of Labor and Workforce Development, \$1,000,000 to  
8 support and expand the “Office of Strategic Enforcement and  
9 Compliance” established within the department under this act.

10

11 4. This act shall take effect immediately.

12

13

14

#### STATEMENT

15

16 This bill creates the “Office of Strategic Enforcement and  
17 Compliance” within the Department of Labor and Workforce  
18 Development to oversee and coordinate across the divisions of the  
19 department and, when necessary, between the department and other  
20 State agencies and entities, strategic enforcement of State wage,  
21 benefit and tax laws, as deemed appropriate by the commissioner.

22 The bill provides that as a precondition to the award to a person  
23 of direct business assistance from the department, and as a  
24 precondition for the department to report to another State agency or  
25 entity that a business is in substantial good standing, the department  
26 is required to determine whether the person has any outstanding  
27 liability to the department under any of the statutes or rules that the  
28 department enforces, including but not limited to, for unpaid  
29 contributions to the unemployment compensation fund or the State  
30 disability benefits fund; to any individual on whose behalf the  
31 department has issued a final order for the payment of wages or  
32 benefits; or for any penalties, fees or interest due the department  
33 pursuant to a final order issued under any of the statutes or rules  
34 that the department enforces.

35 If the department determines that a person has any outstanding  
36 liability to the department under any of the statutes or rules that the  
37 department enforces, the bill provides that the application by the  
38 person for direct business assistance from the department will be  
39 denied, and it will be reported to any inquiring State agency or  
40 entity that the business is not in substantial good standing. If a  
41 person is seeking the award of direct business assistance from the  
42 department, or where a report has been requested as to whether the  
43 person is in substantial good standing with the department, the bill  
44 provides that if the person has entered into an agreement with the  
45 department to immediately and fully comply with the statutes and  
46 rules enforced by the department and to resolve all delinquencies or

**A5891 EGAN, KARABINCHAK**

6

1 deficiencies within a time period specified by the commissioner,  
2 then the commissioner may approve the award of direct business  
3 assistance from the department, or issue a report that the person is  
4 in substantial good standing with the department, notwithstanding  
5 the outstanding liability to the department under any of the statutes  
6 or rules that the department enforces.

7 The bill appropriates from the General Fund to the Department  
8 of Labor and Workforce Development, \$1 million to support and  
9 expand the “Office of Strategic Enforcement and Compliance” to  
10 effectuate the purposes of the bill.



ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 5891**

**STATE OF NEW JERSEY**

DATED: JUNE 16, 2021

The Assembly Appropriations Committee reports favorably Assembly Bill No. 5891.

This bill creates the “Office of Strategic Enforcement and Compliance” within the Department of Labor and Workforce Development to oversee and coordinate across the divisions of the department and, when necessary, between the department and other State agencies and entities, strategic enforcement of State wage, benefit and tax laws, as deemed appropriate by the commissioner.

The bill provides that as a precondition to the award to a person of direct business assistance from the department, and as a precondition for the department to report to another State agency or entity that a business is in substantial good standing, the department is required to determine whether the person has any outstanding liability to the department under any of the statutes or rules that the department enforces, including but not limited to, for unpaid contributions to the unemployment compensation fund or the State disability benefits fund; to any individual on whose behalf the department has issued a final order for the payment of wages or benefits; or for any penalties, fees or interest due the department pursuant to a final order issued under any of the statutes or rules that the department enforces.

If the department determines that a person has any outstanding liability to the department under any of the statutes or rules that the department enforces, the bill provides that the application by the person for direct business assistance from the department will be denied, and it will be reported to any inquiring State agency or entity that the business is not in substantial good standing. If a person is seeking the award of direct business assistance from the department, or where a report has been requested as to whether the person is in substantial good standing with the department, the bill provides that if the person has entered into an agreement with the department to immediately and fully comply with the statutes and rules enforced by the department and to resolve all delinquencies or deficiencies within a time period specified by the commissioner, then the commissioner may approve the award of direct business assistance from the department, or issue a report that the person is in substantial good standing with the department, notwithstanding

the outstanding liability to the department under any of the statutes or rules that the department enforces.

The bill appropriates from the General Fund to the Department of Labor and Workforce Development, \$1 million to support and expand the “Office of Strategic Enforcement and Compliance” to effectuate the purposes of the bill.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that this bill will result in a one-time increase in State expenditures to establish the Office of Strategic Enforcement and Compliance in the Department of Labor and Workforce Development (DOLWD). While the bill appropriates \$1 million from the General Fund for purposes of establishing the office, the OLS does not have enough information to opine on the actual one-time expenditures. It is unknown if the establishment of the office can be primarily absorbed by the department using current staff and existing resources or if it will require the hiring of additional staff.

The OLS notes that the bill will result in annual indeterminate increases in administrative State expenditures tied to the continuing support of the Office of Strategic Enforcement and Compliance. Absent information from DOLWD, the OLS cannot accurately estimate the actual impact of the bill. The OLS notes, however, that this indeterminate impact may be minimized or absorbed by the DOLWD’s existing operational budget.

**LEGISLATIVE FISCAL ESTIMATE**  
**ASSEMBLY, No. 5891**  
**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

DATED: JUNE 22, 2021

**SUMMARY**

**Synopsis:** Creates “Office of Strategic Enforcement and Compliance” in DOLWD; appropriates \$1 million from General Fund.

**Type of Impact:** One-time expenditure increase of \$1 million and potential annual increase in State expenditures to the General Fund

**Agencies Affected:** Department of Labor and Workforce Development

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>Year 1</u></b>	<b><u>Annual</u></b>
<b>State Cost Increase</b>	\$1 Million	Indeterminate

- The Office of Legislative Services (OLS) estimates that this bill will result in a one-time indeterminate increase in State expenditures to establish the Office of Strategic Enforcement and Compliance in the Department of Labor and Workforce Development (DOLWD). While the bill appropriates \$1 million from the General Fund for purposes of establishing the office, the OLS does not have enough information to opine on the actual one-time expenditures. It is unknown if the establishment of the office can be primarily absorbed by the department using current staff and existing resources or if it will require the hiring of additional staff.
- The OLS notes that the bill will result in annual indeterminate increases in administrative State expenditures tied to the continuing support of the Office of Strategic Enforcement and Compliance. Absent information from DOLWD, the OLS cannot accurately estimate the actual impact of the bill. The OLS notes, however, that this indeterminate impact may be minimized or absorbed by the DOLWD’s existing operational budget.

**BILL DESCRIPTION**

This bill creates the Office of Strategic Enforcement and Compliance within the Department of Labor and Workforce Development to oversee and coordinate across the divisions of the department and, when necessary, between the department and other State



agencies and entities, strategic enforcement of State wage, benefit, and tax laws, as deemed appropriate by the commissioner.

The bill appropriates from the General Fund to the Department of Labor and Workforce Development, \$1 million to support and expand the office,

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS estimates that this bill will result in a one-time indeterminate increase in State expenditures to establish the Office of Strategic Enforcement and Compliance in the Department of Labor and Workforce Development (DOLWD). While the bill appropriates \$1 million from the General Fund for purposes of establishing the office, the OLS does not have enough information to opine on the actual one-time expenditures. It is unknown if the establishment of the office can be primarily absorbed by the department using current staff and existing resources or if it will require the hiring of additional staff.

The OLS notes that the bill will also result in annual increases in administrative State expenditures tied to the continuing support of the Office of Strategic Enforcement and Compliance. Absent information from DOLWD, the OLS cannot accurately estimate the actual impact of the bill. The OLS notes, however, that this indeterminate impact may be minimized or absorbed by the DOLWD's existing operational budget.

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

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

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

# SENATE, No. 3921

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JUNE 10, 2021

**Sponsored by:**

**Senator FRED H. MADDEN, JR.**

**District 4 (Camden and Gloucester)**

**Senator STEVEN V. OROHO**

**District 24 (Morris, Sussex and Warren)**

**Co-Sponsored by:**

**Senators Greenstein, Singleton and Lagana**

**SYNOPSIS**

Creates “Office of Strategic Enforcement and Compliance” in DOLWD; appropriates \$1 million from General Fund.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/17/2021)**

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2

1 AN ACT concerning the establishment of the “Office of Strategic  
2 Enforcement and Compliance” in the Department of Labor and  
3 Workforce Development and supplementing Title 34 of the  
4 Revised Statutes.

5

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

8

9 1. As used in this act:

10 “Commissioner” means the Commissioner of Labor and  
11 Workforce Development, or the commissioner’s designee.

12 “Department” means the Department of Labor and Workforce  
13 Development.

14 “Direct business assistance from the department” means  
15 monetary or financial assistance in any form, including but not  
16 limited to a grant or other monetary or financial benefit awarded to  
17 a person by the department to assist the person in the conduct or  
18 operation of a business, occupation, trade, or profession in the  
19 State, in connection with the following programs:

20 (1) Customized training services provided pursuant to section 5  
21 of P.L.1992, c.43 (C.34:15D-5);

22 (2) Employment and training services provided pursuant to  
23 section 6 of P.L.1992, c.43 (C.34:15D-6);

24 (3) Employment and training services funded by the  
25 Supplemental Workforce Fund for Basic Skills under section 1 of  
26 P.L.2001, c.152 (C.34:15D-21);

27 (4) Outreach and training programs for minority group  
28 members and women in construction trade occupations or other  
29 occupations utilized in the performance of public works contracts  
30 funded by the New Jersey Builders Utilization Initiative for Labor  
31 Diversity (NJBUILD) pursuant to section 1 of P.L.2009, c.313  
32 (C.52:38-7);

33 (5) The New Jersey Innovation and Research Fellowship  
34 Program pursuant to section 3 of P.L.2015, c.235 (C.34:15D-26);

35 (6) The Apprenticeship Start-Up Grant Program pursuant to  
36 section 3 of P.L.2019, c.417 (C.34:15D-6.1);

37 (7) The Apprentice Assistance and Support Services Pilot  
38 Program pursuant to section 1 of P.L.2019, c.419 (C.34:15D-6.2);

39 (8) The New Jersey Pathways Leading Apprentices to a College  
40 Education (NJPLACE) Program pursuant to section 1 of P.L.2009,  
41 c.200 (C.34:15D-24);

42 (9) Any other program funded in whole or in part by the  
43 Workforce Development Partnership Fund established under section  
44 9 of P.L.1992, c.43 (C.34:15D-9);

45 (10) Any program funded by or through the Department in  
46 whole or in part under the “Workforce Innovation and Opportunity  
47 Act,” (29 U.S.C. s.3101 et seq.);

1 (11) Any program funded by or through the Department in  
2 whole or in part under the “Wagner-Peyser Act,”  
3 (29 U.S.C. s.49 et seq.);

4 (12) The Talent Network Program pursuant to section 2 of  
5 P.L.2019, c.125 (C.34:15D-29);

6 (13) The industry-valued Credentials pilot program pursuant to  
7 P.L.2019, c.252 (C.34:15D-30 et seq.);

8 (14) The High-Growth Industry Regional Apprenticeship  
9 Development Grant Pilot Program pursuant to P.L.2019, c.314  
10 (C.34:15D-32);

11 (15) The Youth Transitions to Work Partnership pursuant to  
12 P.L.1993, c.268 (C.34:15E-1 et seq.);

13 (16) The At-Risk Youth Mentoring Program pursuant to  
14 P.L.1999, c.279 (C.34:15F-1 et seq.); and

15 (17) Any other similar program by which the department  
16 confers a monetary or financial benefit upon a person to assist the  
17 person in the conduct or operation of a business, occupation, trade  
18 or profession in the State.

19 “Final order” means either a final administrative determination of  
20 the Commissioner issued following adjudication of a matter as a  
21 contested case pursuant to the “Administrative Procedure Act,”  
22 P.L.1968, c.410 (C.52:14B-1 et seq.), and the Uniform  
23 Administrative Procedure Rules, N.J.A.C.1:1, or where the  
24 department has made a finding regarding a violation of law or rule,  
25 or regarding the levying of a penalty or fee pursuant to law or rule,  
26 and has notified the violator of same and where the violator has  
27 either expressly waived the right to a hearing or has waived the  
28 right to a hearing by virtue of having failed to request same within  
29 the appropriate time limit established by either law or rule.

30 “Person” means a natural person or an organization, including  
31 but not limited to, a corporation, partnership, proprietorship, limited  
32 liability company, association, cooperative, joint venture, estate,  
33 trust, or government unit.

34 “Strategic enforcement” means a proactive, rather than purely  
35 complaint driven, approach to enforcement, which focuses agency  
36 resources to assist vulnerable employee communities and target  
37 high-violation industries with the ultimate goal of increasing the  
38 cost to violators of non-compliance, thereby changing non-  
39 compliant behavior in a sustainable way.

40 “State wage, benefit and tax laws” means “State wage, benefit  
41 and tax laws” as that term is defined in section 1 of P.L.2009, c.194  
42 (C.34:1A-1.11).

43

44 2. a. There is hereby established in the department an “Office  
45 of Strategic Enforcement and Compliance,” which shall oversee and  
46 coordinate across the divisions of the department and, when  
47 necessary, between the department and other State agencies and

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1 entities, strategic enforcement of State wage, benefit and tax laws,  
2 as deemed appropriate by the commissioner.

3 b. Each division within the department selected by the  
4 commissioner shall designate at least one employee whose duties  
5 shall include, among others, serving as a liaison with the “Office of  
6 Strategic Enforcement and Compliance.”

7 c. The commissioner shall devote departmental resources,  
8 including those of the department’s Office of Research and  
9 Information, to support a data-driven approach to the work of the  
10 “Office of Strategic Enforcement and Compliance.”

11 d. (1) As a precondition to the award to a person of direct  
12 business assistance from the department, and as a precondition for  
13 the department to report to another State agency or entity that a  
14 business is in substantial good standing, the department shall  
15 determine whether the person has any outstanding liability to the  
16 department under any of the statutes or rules that the department  
17 enforces, including but not limited to, for unpaid contributions to  
18 the unemployment compensation fund or the State disability  
19 benefits fund; to any individual on whose behalf the department has  
20 issued a final order for the payment of wages or benefits; or for any  
21 penalties, fees or interest due the department pursuant to a final  
22 order issued under any of the statutes or rules that the department  
23 enforces.

24 An as an example, prior to the department reporting substantial  
25 good standing as required under the “New Jersey Economic  
26 Recovery Act of 2020,” P.L.2020, c.156 (C.34:1B-269 et al.), the  
27 department shall complete the determination required by this  
28 paragraph.

29 If the department determines that a person has any outstanding  
30 liability to the department under any of the statutes or rules that the  
31 department enforces, the application by the person for direct  
32 business assistance from the department shall be denied, and it shall  
33 be reported to any inquiring State agency or entity that the business  
34 is not in substantial good standing. If a person is seeking the award  
35 of direct business assistance from the department, or where a report  
36 has been requested as to whether the person is in substantial good  
37 standing with the department, if the person has entered into an  
38 agreement with the department to immediately and fully comply  
39 with the statutes and rules enforced by the department and to  
40 resolve all delinquencies or deficiencies within a time period  
41 specified by the commissioner, then the commissioner may approve  
42 the award of direct business assistance from the department, or  
43 issue a report that the person is in substantial good standing with  
44 the department, notwithstanding the outstanding liability to the  
45 department under any of the statutes or rules that the department  
46 enforces.



1 (2) The “Office of Strategic Enforcement and Compliance” shall  
2 oversee and coordinate review processes good standing with the  
3 Department’s laws and rules as determined under paragraph (1) of  
4 this subsection.

5

6 3. There is appropriated from the General Fund to the  
7 Department of Labor and Workforce Development, \$1,000,000 to  
8 support and expand the “Office of Strategic Enforcement and  
9 Compliance” established within the department under this act.

10

11 4. This act shall take effect immediately.

12

13

14

#### STATEMENT

15

16 This bill creates the “Office of Strategic Enforcement and  
17 Compliance” within the Department of Labor and Workforce  
18 Development to oversee and coordinate across the divisions of the  
19 department and, when necessary, between the department and other  
20 State agencies and entities, strategic enforcement of State wage,  
21 benefit and tax laws, as deemed appropriate by the commissioner.

22 The bill provides that as a precondition to the award to a person  
23 of direct business assistance from the department, and as a  
24 precondition for the department to report to another State agency or  
25 entity that a business is in substantial good standing, the department  
26 is required to determine whether the person has any outstanding  
27 liability to the department under any of the statutes or rules that the  
28 department enforces, including but not limited to, for unpaid  
29 contributions to the unemployment compensation fund or the State  
30 disability benefits fund; to any individual on whose behalf the  
31 department has issued a final order for the payment of wages or  
32 benefits; or for any penalties, fees or interest due the department  
33 pursuant to a final order issued under any of the statutes or rules  
34 that the department enforces.

35 If the department determines that a person has any outstanding  
36 liability to the department under any of the statutes or rules that the  
37 department enforces, the bill provides that the application by the  
38 person for direct business assistance from the department will be  
39 denied, and it will be reported to any inquiring State agency or  
40 entity that the business is not in substantial good standing. If a  
41 person is seeking the award of direct business assistance from the  
42 department, or where a report has been requested as to whether the  
43 person is in substantial good standing with the department, the bill  
44 provides that if the person has entered into an agreement with the  
45 department to immediately and fully comply with the statutes and  
46 rules enforced by the department and to resolve all delinquencies or  
47 deficiencies within a time period specified by the commissioner,  
48 then the commissioner may approve the award of direct business

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1 assistance from the department, or issue a report that the person is  
2 in substantial good standing with the department, notwithstanding  
3 the outstanding liability to the department under any of the statutes  
4 or rules that the department enforces.

5 The bill appropriates from the General Fund to the Department  
6 of Labor and Workforce Development, \$1 million to support and  
7 expand the “Office of Strategic Enforcement and Compliance” to  
8 effectuate the purposes of the bill.

# SENATE LABOR COMMITTEE

## STATEMENT TO

### SENATE, No. 3921

# STATE OF NEW JERSEY

DATED: JUNE 16, 2021

The Senate Labor Committee reports favorably Senate Bill No. 3921.

This bill creates the “Office of Strategic Enforcement and Compliance” within the Department of Labor and Workforce Development to oversee and coordinate across the divisions of the department and, when necessary, between the department and other State agencies and entities, strategic enforcement of State wage, benefit and tax laws, as deemed appropriate by the commissioner.

The bill provides that as a precondition to the award to a person of direct business assistance from the department, and as a precondition for the department to report to another State agency or entity that a business is in substantial good standing, the department is required to determine whether the person has any outstanding liability:

1. to the department under any of the statutes or rules that the department enforces, including but not limited to, for unpaid contributions to the unemployment compensation fund or the State disability benefits fund;
2. to any individual on whose behalf the department has issued a final order for the payment of wages or benefits; or
3. for any penalties, fees or interest due the department pursuant to a final order issued under any of the statutes or rules that the department enforces.

If the department determines that a person has any of these outstanding liabilities, the bill provides that the application by the person for direct business assistance from the department will be denied, and it will be reported to any inquiring State agency or entity that the business is not in substantial good standing, except that the bill provides that if the person enters into an agreement with the department to immediately and fully comply with the department statutes and rules and to resolve all delinquencies or deficiencies within a time period specified by the commissioner, the commissioner may approve the award of direct business assistance from the department, or issue a report that the person is in substantial good standing with the department, notwithstanding the outstanding liability.

The bill appropriates from the General Fund to the Department of Labor and Workforce Development, \$1 million to support and expand the “Office of Strategic Enforcement and Compliance” to effectuate the purposes of the bill.

**LEGISLATIVE FISCAL ESTIMATE**  
**SENATE, No. 3921**  
**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

DATED: JULY 2, 2021

**SUMMARY**

**Synopsis:** Creates “Office of Strategic Enforcement and Compliance” in DOLWD; appropriates \$1 million from General Fund.

**Type of Impact:** One-time State expenditure increase of \$1 million and potential annual increase in State expenditures to the General Fund

**Agencies Affected:** Department of Labor and Workforce Development

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>Year 1</u></b>	<b><u>Annual</u></b>
<b>State Cost Increase</b>	\$1 Million	Indeterminate

- The Office of Legislative Services (OLS) estimates that this bill will result in a one-time indeterminate increase in State expenditures to establish the Office of Strategic Enforcement and Compliance in the Department of Labor and Workforce Development (DOLWD). While the bill appropriates \$1 million from the General Fund for purposes of establishing the office, the OLS does not have enough information to opine on the actual one-time expenditures. It is unknown if the establishment of the office can be primarily absorbed by the department using current staff and existing resources or if it will require the hiring of additional staff.
- The OLS notes that the bill will result in annual indeterminate increases in administrative State expenditures tied to the continuing support of the Office of Strategic Enforcement and Compliance. Absent information from DOLWD, the OLS cannot accurately estimate the actual impact of the bill. The OLS notes, however, that this indeterminate impact may be minimized or absorbed by the DOLWD’s existing operational budget.

**BILL DESCRIPTION**

This bill creates the Office of Strategic Enforcement and Compliance within the Department of Labor and Workforce Development to oversee and coordinate across the divisions of the department and, when necessary, between the department and other State



agencies and entities, strategic enforcement of State wage, benefit, and tax laws, as deemed appropriate by the commissioner.

The bill appropriates from the General Fund to the Department of Labor and Workforce Development, \$1 million to support and expand the office,

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS estimates that this bill will result in a one-time indeterminate increase in State expenditures to establish the Office of Strategic Enforcement and Compliance in the Department of Labor and Workforce Development (DOLWD). While the bill appropriates \$1 million from the General Fund for purposes of establishing the office, the OLS does not have enough information to opine on the actual one-time expenditures. It is unknown if the establishment of the office can be primarily absorbed by the department using current staff and existing resources or if it will require the hiring of additional staff.

The OLS notes that the bill will also result in annual increases in administrative State expenditures tied to the continuing support of the Office of Strategic Enforcement and Compliance. Absent information from DOLWD, the OLS cannot accurately estimate the actual impact of the bill. The OLS notes, however, that this indeterminate impact may be minimized or absorbed by the DOLWD's existing operational budget.

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

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

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

# Governor Murphy Signs Legislation to Protect New Jersey Workers, Employers From Unlawful Misclassification

07/8/2021

**TRENTON** – Building on his commitment to making sure that workers and employers in New Jersey are treated fairly, Governor Phil Murphy today signed a four-bill legislative package furthering state efforts to stop employee misclassification.

Misclassification is the practice of illegally and improperly classifying employees as independent contractors. This practice deprives workers of the right to earn minimum wage and overtime, workers' compensation, unemployment, earned sick leave, job-protected family leave, temporary disability, and equal pay, and leaves them unprotected against discrimination. It also hurts the vast majority of employers who play by the rules, by putting them at a competitive disadvantage against those who flout the law.

Through today's action, a new Office of Strategic Enforcement and Compliance within the Department of Labor (DOL) will be created and DOL will create a database to track payroll projects, critical steps to tracking and eliminating misclassification. The others bills in the package will simplify the process for identifying misclassified workers and implement stop-work orders at worksites where misclassification is identified.

Tackling worker misclassification has been a priority of the Murphy Administration since day one, and these efforts build on the significant progress that already has been made. In 2018, a Department of Labor audit found more than 12,300 cases of workers being misclassified, resulting in more than \$460 million in underreported gross wages and \$14 million in lost state unemployment and temporary disability contributions. The audit covered just 1 percent of businesses, suggesting that the real cost of misclassification is much, much higher.

During his first year in office, Governor Murphy signed an executive order creating a Misclassification Task Force to determine the scope of the problem and propose measures to alleviate it. The Task Force was the result of a partnership between the Administration, the Legislature, and key labor and workforce stakeholders, that subsequently led to laws stiffening penalties and providing new enforcement tools to tackle misclassification. Today's bill signings continue this progress.

"Workers who are misclassified as independent contractors miss out on fair wages and benefits," **said Governor Phil Murphy**. "These business practices are unfair, abusive, and illegal and they cannot be tolerated. Today's action will give the state more tools to root-out and prevent misclassification. I am honored to sign these bills today on behalf of New Jersey's workers."

"We should all be proud that New Jersey is the best state in which to be a worker in the entire country. Because of the wages, rights and benefits New Jersey guarantees, we're also the state whose workforce delivers the biggest value to employers," **said Labor Commissioner Robert Asaro-Angelo**. "The action taken by the Governor here today will only bolster New Jersey's workforce -- the employees who deserve the protections put in place for them -- and the employers who play by the rules and properly classify their workers."

"Employee misclassification has been a growing issue in New Jersey and I'm pleased to see further legislation signed into law that combats this abhorrent practice," **said Senator Fred Madden**, chair of the

Senator Labor Committee and sponsor of A-5891. “It may sound like a simple bureaucratic problem, but it is far more onerous: misclassification results in hard-working New Jerseyans being denied basic benefits such as overtime, medical leave, unemployment insurance, and safe workplaces, and their unscrupulous employers benefit. I’m confident this package of bills will go far in eradicating this practice and ensuring that our workers are treated fairly.”

“For too long, some contractors working for the state have been less than forthcoming about how they’re paying their employees,” **said Senator Troy Singleton**, sponsor of A-1171. “The creation of a centrally located, publicly available, database of payroll certifications will go far to ensuring that workers are being paid proper wages when working on public contracts. That is good for the workers and taxpayers alike, and I’m pleased to see the measure now signed into law.”

“It is necessary to increase the Department of Labor’s enforcement powers. We have seen far too many violations of State wage, benefit and tax laws,” **said Assemblyman Anthony Verrelli**, sponsor of A-5890. “This law will further the department’s responsibility to mitigate bad actors from misclassifying employees and lessen violations against laws previously enacted.”

“Creating a centralized office for the coordination of workforce and labor-related efforts will help ensure greater enforcement and compliance with New Jersey wage, benefit and tax laws,” **Assembly sponsors of A-5891 Joseph Egan and Robert Karabinchak said in a joint statement**. “This office will oversee the preliminary review of any business seeking State assistance to make sure they are complying with necessary regulations regarding employee compensation and contributions to unemployment and disability benefits funds. Ultimately, the coordination of these efforts will prove beneficial to our state, to employees, and to law-abiding businesses that deserve our assistance.”

“Misclassifying workers as independent contractors just to get out of paying insurance premiums harms hard-working people who deserve the same benefits and protections as other company employees,” **said Assemblywoman Shavonda Sumter**, sponsor of A-5892. “Not only will misclassification for the purpose of evading insurance premiums be a violation of our state’s Insurance Fraud Prevention Act, but this law will also provide additional resources to help streamline the identification of employee misclassification.”

Today, Governor Murphy took action on the following legislation:

**A-5890/S-3920 (Verrelli/Madden, Greenstein)** - Concerns enforcement of employee misclassification and stop-work order laws.

**A-5891/S-3921 (Egan, Karabinchak, Space/Madden, Oroho)** - Creates "Office of Strategic Enforcement and Compliance" in DOLWD; appropriates \$1 million from General Fund.

**A-5892/S-3922 (Sumter/Madden, Lagana)** - Streamlines identification of employee misclassification.

**A-1171/S-1260 (Freiman, Karabinchak, Verrelli/Singleton, Oroho)**- Requires Commissioner of Labor and Workforce Development to create Statewide database of certified payroll information for public works projects.



# This Week in NJ: July 9th, 2021

07/9/2021



## Governor Murphy Signs Bills to Advance New Jersey's Clean Energy Future

Governor Phil Murphy signed a package of bills aimed at advancing New Jersey's transition to a clean energy future to further the Administration's goal of reaching 100 percent clean energy by 2050. The legislation will increase solar development and facilitate installation of electric vehicle charging infrastructure throughout the state.

"Three and a half years ago we put forth one of the most aggressive plans in the nation to move New Jersey away from fossil fuels and towards a future based on clean and renewable energy technologies," **said Governor Murphy**. "From wind-turbine component manufacturing, to solar energy installation, to electric vehicles, the modernization of our energy sector will not only aid us in addressing climate change, but also drive significant economic growth and create good-paying, union jobs across the state. By signing these bills today, we are marking another milestone on our path to 100 percent clean energy by 2050 and fueling our clean innovation economy."

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## Governor Murphy Signs Legislation to Protect New Jersey Workers, Employers From Unlawful Misclassification

Building on his commitment to making sure that workers and employers in New Jersey are treated fairly, Governor Murphy signed a four-bill legislative package furthering state efforts to stop employee misclassification.



“Workers who are misclassified as independent contractors miss out on fair wages and benefits,” **said Governor Murphy.** “These business practices are unfair, abusive, and illegal and they cannot be tolerated. Today’s action will give the state more tools to root-out and prevent misclassification. I am honored to sign these bills today on behalf of New Jersey’s workers.”

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### NJBPU Launches Year 2 of Popular Charge Up New Jersey Electric Vehicle Rebate Program

The New Jersey Board of Public Utilities opened Year 2 of its Charge Up New Jersey electric vehicle (EV) incentive program taking one more step toward the Murphy Administration’s goal of getting 330,000 EVs on the road by 2025. Charge Up New Jersey provides a rebate of up to \$5,000 toward a new EV purchased or leased in New Jersey.

The incentive is available exclusively as a “point-of-sale” rebate applied during the purchase or leasing process at dealerships and requires a valid New Jersey driver’s license to get started. Only EVs registered and purchased in New Jersey are eligible.

“Transportation is responsible for over 40 percent of the state’s greenhouse gas emissions, as well as harmful air pollution, which often disproportionately impacts overburdened communities,” **said Joseph L. Fiordaliso, NJBPU President.** “Electrifying the transportation sector is a core strategy of Governor Murphy’s Energy Master Plan because it will help tackle climate change while improving public health and air quality. Making EVs more affordable will encourage EV adoption and get us closer to 100 percent clean energy by 2050.”

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## Murphy Administration Enforces Strong Building Codes and Multi-Unit Housing Inspections Across the State

Governor Murphy and Lieutenant Governor Oliver reminded the public that the Division of Codes and Standards in the New Jersey Department of Community Affairs (DCA) is at the forefront of enforcing building codes, in partnership with municipalities in the state, to protect the health and safety of people who live, work, and visit New Jersey.



“The Florida condominium collapse is a sobering reminder that inspections and enforcement of building codes are critical tools that keep people safe,” **said Governor Murphy.** “New Jersey’s building codes are among the strongest in the nation, and our residents can rest assured that the Department of Community Affairs goes above and beyond the nationwide standard. Through continued vigilance, we can prevent tragedies and save lives.”

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