

SENATE, No. 3096

STATE OF NEW JERSEY
213th LEGISLATURE

INTRODUCED NOVEMBER 23, 2009

Sponsored by:

Senator STEPHEN M. SWEENEY

District 3 (Salem, Cumberland and Gloucester)

SYNOPSIS

Extends prevailing wage requirements to certain non-rental multi-family housing projects.

CURRENT VERSION OF TEXT

As introduced.



S3096 SWEENEY

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1 AN ACT concerning prevailing wage requirements and amending
2 P.L.1983, c.530.

3

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

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

9 42. Each qualified housing sponsor granted a loan from the
10 agency, or any builder, contractor or subcontractor engaged by the
11 qualified housing sponsor for the construction or rehabilitation of
12 any housing project, shall pay the **[workmen]** workers employed in
13 the performance of any contract for such construction or
14 rehabilitation not less than the prevailing wage rate. The prevailing
15 wage rate shall be determined by the Commissioner of the New
16 Jersey Department of Labor and Workforce Development in all
17 cases, except that the prevailing rate shall be determined by the
18 Secretary of the United States Department of Labor in accordance
19 with **[the Davis-Bacon Act as amended (40 U.S.C. 276a to 276a-**
20 **5)]** Section 1 of Pub.L. 107-217 (40 U.S.C. 3141 et seq.), when the
21 loan from the agency for the construction or rehabilitation of a
22 housing project or the tenants of the housing project **[is]** are the
23 subject of direct or indirect federal assistance other than the federal
24 tax exemption of the interest paid on the agency obligations.

25 Any person, partnership, corporation or association, whether
26 organized as for profit or not for profit, who receives a loan from
27 the Housing and Mortgage Finance Agency directly from the
28 agency or indirectly from an institutional lender for any work,
29 whether new construction, improvement or rehabilitation of
30 buildings or units which are designed for the primary purpose of
31 providing non-rental multi-family housing, shall pay each worker
32 employed in the work not less than the prevailing wage rate for the
33 worker's craft or trade, as determined by the Commissioner of
34 Labor and Workforce Development pursuant to P.L.1963, c.150
35 (C.34:11-56.25 et seq.).

36 The Commissioner of Labor and Workforce Development **[is**
37 **authorized to, and shall, determine the prevailing wage rate and]**
38 shall **[establish]** designate the prevailing wage in the locality in
39 which the construction or rehabilitation of any housing project
40 subject to the provisions of this section or any non-rental multi-
41 family housing subject to the provisions of this section is to be
42 performed for each craft or trade or classification of all **[workmen]**
43 workers employed in the performance of such construction or

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

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13 2. This act shall take effect immediately.

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STATEMENT

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18 This bill extends the current prevailing wage requirement for
19 construction and rehabilitation work performed under New Jersey
20 Housing and Mortgage Finance Agency (HMFA) loans to non-
21 rental multi-family housing projects, made pursuant to the "New
22 Jersey Housing and Mortgage Finance Agency Law of 1983,"
23 P.L.1983, c.530 (C.55:14K-1 et seq.).

24 The change reflects the fact that HMFA makes loans to both
25 rental and non-rental housing projects. Currently, a loan from
26 HMFA subjects a project to payment of prevailing wage rates only
27 if the project is to be comprised of rental units. By making this
28 change, the bill promotes consistency for applicability of prevailing
29 wage rates, regardless of the type of housing that HMFA subsidizes.