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.
AN ACT concerning prevailing wage requirements and amending

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

1. Section 42 of P.L.1983, c.530 (C.55:14K-42) is amended to
read as follows:
   42. Each qualified housing sponsor granted a loan from the
agency, or any builder, contractor or subcontractor engaged by the
qualified housing sponsor for the construction or rehabilitation of
any housing project, shall pay the workmen employed in
the performance of any contract for such construction or
rehabilitation not less than the prevailing wage rate. The prevailing
wage rate shall be determined by the Commissioner of the New
Jersey Department of Labor and Workforce Development in all
cases, except that the prevailing rate shall be determined by the
Secretary of the United States Department of Labor in accordance
with the Davis-Bacon Act as amended (40 U.S.C. 276a to 276a-5)
Section 1 of Pub.L. 107-217 (40 U.S.C. 3141 et seq.), when the
loan from the agency for the construction or rehabilitation of a
housing project or the tenants of the housing project are the
subject of direct or indirect federal assistance other than the federal
tax exemption of the interest paid on the agency obligations.

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

The Commissioner of Labor and Workforce Development is
authorized to, and shall, determine the prevailing wage rate and
shall designate the prevailing wage in the locality in
which the construction or rehabilitation of any housing project
subject to the provisions of this section or any non-rental multi-
family housing subject to the provisions of this section is to be
performed for each craft or trade or classification of all workmen
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.
rehabilitation, as if such construction or rehabilitation were "public work" within the meaning of P.L.1963, c.150 (C.34:11-56.25 et seq.). For the purpose of carrying out the provisions of this section, the Commissioner of Labor and Workforce Development and any [workmen] workers employed in the performance of any contract for the construction or rehabilitation of any housing project subject to the provisions of this section or any non-rental multi-family housing subject to the provisions of this section, shall have and may exercise or perform any right, power or duty granted or imposed upon them by P.L.1963, c.150 (C.34:11-56.25 et seq.).

(cf: P.L.1983, c.530, s.42)

2. This act shall take effect immediately.

STATEMENT

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

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