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SYNOPSIS
Concerns prevailing wage requirements for certain fabrication.

CURRENT VERSION OF TEXT
As introduced.

(Sponsorship Updated As Of: 2/1/2019)
AN ACT concerning prevailing wage requirements for certain
fabrication and amending P.L.1963, c.150.

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

1. Section 2 of P.L.1963, c.150 (C.34:11-56.26) is amended to
read as follows:
2. As used in this act:

(1) "Department" means the Department of Labor and
Workforce Development of the State of New Jersey.

(2) "Locality" means any political subdivision of the State,
combination of the same or parts thereof, or any geographical area
or areas classified, designated and fixed by the commissioner from
time to time, provided that in determining the "locality," the
commissioner shall be guided by the boundary lines of political
subdivisions or parts thereof, or by a consideration of the areas with
respect to which it has been the practice of employers of particular
crafts or trades to engage in collective bargaining with the
representatives of workers in such craft or trade.

(3) "Maintenance work" means the repair of existing facilities
when the size, type or extent of such facilities is not thereby
changed or increased. "Maintenance work" also means any work on
a maintenance-related project that exceeds the scope of work and
capabilities of in-house maintenance personnel, requires the
solicitation of bids, and has an aggregate value exceeding $50,000.

(4) "Public body" means the State of New Jersey, any of its
political subdivisions, any authority created by the Legislature of
the State of New Jersey and any instrumentality or agency of the
State of New Jersey or of any of its political subdivisions.

(5) "Public work" means construction, reconstruction,
demolition, alteration, custom fabrication or repair work, or
maintenance work, including painting and decorating, done under
contract and paid for in whole or in part out of the funds of a public
body, except work performed under a rehabilitation program.
"Public work" shall also mean construction, reconstruction,
demolition, alteration, custom fabrication or repair work, done on
any property or premises, whether or not the work is paid for from
public funds, if, at the time of the entering into of the contract the
property or premises is owned by the public body or:

(a) Not less than 55% of the property or premises is leased by a
public body, or is subject to an agreement to be subsequently leased
by the public body; and

(b) The portion of the property or premises that is leased or
subject to an agreement to be subsequently leased by the public
body measures more than 20,000 square feet.

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.
(6) "Commissioner" means the Commissioner of Labor and Workforce Development or his duly authorized representatives.

(7) "Workman" or "worker" includes laborer, mechanic, skilled or semi-skilled, laborer and apprentices or helpers employed by any contractor or subcontractor and engaged in the performance of services directly upon a public work, regardless of whether their work becomes a component part thereof, but does not include material suppliers or their employees who do not perform services at the job site. For the purpose of P.L.1963, c.150 (C.34:11-56.25 et seq.), contractors or subcontractors engaged in custom fabrication shall not be regarded as material suppliers.

(8) "Work performed under a rehabilitation program" means work arranged by and at a State institution primarily for teaching and upgrading the skills and employment opportunities of the inmates of such institutions.

(9) "Prevailing wage" means the wage rate paid by virtue of collective bargaining agreements by employers employing a majority of workers of that craft or trade subject to said collective bargaining agreements, in the locality in which the public work is done.

(10) "Act" means the provisions of P.L.1963, c.150 (C.34:11-56.25 et seq.) and the rules and regulations issued hereunder.

(11) "Prevailing wage contract threshold amount" means:

(a) In the case of any public work paid for in whole or in part out of the funds of a municipality in the State of New Jersey or done on property or premises owned by a public body or leased or to be leased by the municipality, the dollar amount established for the then current calendar year by the commissioner through rules and regulations promulgated pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), which amount shall be equal to $9,850 on July 1, 1994 and which amount shall be adjusted on July 1 every five calendar years thereafter in direct proportion to the rise or fall in the average of the Consumer Price Indices for Urban Wage Earners and Clerical Workers for the New York metropolitan and the Philadelphia metropolitan regions as reported by the United States Department of Labor during the last full calendar year preceding the date upon which the adjustment is made; and

(b) In the case of any public work other than a public work described in paragraph (a) of this subsection, an amount equal to $2,000.

(12) "Custom fabrication" means:

(a) the fabrication of plumbing, heating, cooling, ventilation or exhaust duct systems, and mechanical insulation; or

(b) any other fabrication which is either of components or structures pre-fabricated to specifications for a particular project of
public work or of other materials finished into components without
further modification for use in a project of public work or for use in
a type or classification of a project of public work.
(cf: P.L.2009, c.249, s.1)

2. This act shall take effect immediately.

STATEMENT

This bill provides that certain fabrications used in public works
projects are covered under the "New Jersey Prevailing Wage Act,"
P.L.1963, c.150 (C.34:11-56.25 et seq.). The bill provides for
coverage for custom fabrication which is either of components or
structures pre-fabricated to specifications for a particular project or
of other materials finished into components without further
modification for use in a project or type or classification of a
project. “Custom fabrication” is already subject to the requirements
of the prevailing wage law, which defines custom fabrication as
“the fabrication of plumbing, heating, cooling, ventilation or
exhaust duct systems, and mechanical insulation.” The bill does not
affect the current coverage of custom fabrication by the prevailing
wage law.