

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2557

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 10, 2018

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2557, with committee amendments.

Senate Bill No. 2557 permits the Commissioner of Labor and Workforce Development to issue a stop-work order against any employer that pays less than prevailing wage rates in violation of the “New Jersey Prevailing Wage Act,” P.L.1963, c.150 (C.34:11-56.25 et seq.). The bill also provides for the issuance of stop work orders for wage payment violations for non-prevailing wage matters, and the procedure for issuance of those stop work orders

A stop-work order issued under the bill requires the cessation of all business operations at every site where the violation occurs, and is to remain in effect until the commissioner issues an order releasing the stop-work order upon a finding that the employer has agreed to pay the required wages and has paid any wages or penalty owed. As a condition of release from a stop-work order, the commissioner may require the employer to file with the department periodic reports for a probationary period of up to two years. The commissioner may assess a civil penalty of \$5,000 per day against an employer for each day that it conducts business operations that are in violation of the stop-work order.

COMMITTEE AMENDMENTS:

The amendments allow the commissioner to issue a stop work order after an initial determination of a wage payment violation, not just after a final order has been issued; and add a section to provide for the issuance of stop work orders for wage payment violations for non-prevailing wage matters, and the procedure for the issuance of those stop work orders.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.