

SENATE, No. 377

STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator LORETTA WEINBERG

District 37 (Bergen)

SYNOPSIS

Requires certain subcontracted transportation center workers to be paid certain wage rates and benefits.

CURRENT VERSION OF TEXT

As introduced.

WITHDRAWN



1 **AN ACT** concerning certain transportation center workers and
2 supplementing P.L.2005, c379 (C.34:11-56.58 et seq.).
3

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

7 1. The Legislature finds and declares that:

8 a. Every weekday, over 100,000 travelers commute through
9 Newark Penn Station and Hoboken Terminal, and in 2018, over 30
10 million passengers traveled through Newark Liberty International
11 Airport, making these transportation centers some of the busiest
12 hubs in the country.

13 b. The workers in these centers often cannot afford employer-
14 provided healthcare plans, and unaffordable healthcare expenses is
15 one of the sources of the high rates of turnover for the workers in
16 these centers.

17 c. Improved retention rates of workers in these transportation
18 centers is an investment in service and safety for all who pass
19 through the centers, and compensating these workers so that they
20 can afford healthcare and receive a living wage is a way to increase
21 retention.
22

23 2. As used in this act:

24 “Applicable standard rate” shall mean the combined
25 compensation rate of:

- 26 (1) the standard wage rate;
27 (2) the standard benefits supplement rate; and
28 (3) the standard paid leave.

29 “Covered transportation center” means Newark Liberty
30 International Airport, Newark Liberty International Train Station,
31 Newark Penn Station, or the Hoboken Terminal.

32 “Covered transportation center worker” means any person
33 employed to perform work at a covered transportation center,
34 provided at least one-half of the person’s time during any workweek
35 is performed at a covered transportation center; however, work
36 performed for a mercantile establishment or a restaurant shall not be
37 included within the meaning of covered transportation center
38 worker. Covered transportation center worker shall not include any
39 person employed in a bona fide executive, administrative, or
40 professional capacity.

41 “Mercantile establishment” means any place where goods, wares,
42 or merchandise are offered for sale to the public.

43 “Restaurant” means any place where meals or refreshments, both
44 food and drink, are served to the public.

45 “Standard benefits supplement rate” means an hourly
46 supplement, excluding paid leave, furnished by an employer or
47 contractor to an employee in one of the following ways:

1 (1) in the form of health and other benefits in an amount
2 equivalent to the cost to the contractor or employer in cash
3 payment;

4 (2) by providing a portion of the required hourly supplement in
5 the form of health and other benefits and the remaining value of the
6 supplement in cash payment; or

7 (3) by providing the entire supplement in cash payment.

8 Effective September 1, 2020 and each September 1 of each year
9 thereafter, the required standard benefits supplement rate shall be an
10 amount equal to the supplemental benefits rate designated by the
11 commissioner on August 1 immediately preceding September 1 of
12 each year, based on the determination made by the United States
13 Department of Labor pursuant to the federal "McNamara-O'Hara
14 Service Contract Act" (41 U.S.C. s.6701 et seq.), for the
15 classification of "Guard I" for the county in which the covered
16 transportation center is located.

17 "Standard paid leave" means effective September 1, 2020 and
18 each September 1 thereafter, paid leave equal to the paid leave
19 requirements designated by the commissioner on the August 1
20 immediately preceding September 1 of each year, based on the
21 determination made by the United States Department of Labor
22 pursuant to the federal "McNamara-O'Hara Service Contract Act"
23 (41 U.S.C. s.6701 et seq.), for the classification of "Guard I" for the
24 county in which the covered transportation center is located.

25 "Standard wage rate" means:

26 (1) effective September 1, 2020, the greater of:

27 (a) \$2.00 more than any minimum wage rate, that would
28 otherwise be applicable to covered transportation center workers,
29 established by the "New Jersey State Wage and Hour Law,"
30 P.L.1966, c.113 (C.34:11-56a et seq.); or

31 (b) any otherwise applicable minimum wage rate established
32 through a policy of the Port Authority of New York and New
33 Jersey;

34 (2) effective September 1, 2021, the greater of:

35 (a) \$2.50 more than any minimum wage rate, that would
36 otherwise be applicable to covered transportation center workers,
37 established by the "New Jersey State Wage and Hour Law,"
38 P.L.1966, c.113 (C.34:11-56a et seq.); or

39 (b) any otherwise applicable minimum wage rate established
40 through a policy of the Port Authority of New York and New
41 Jersey;

42 (3) effective September 1, 2022, the greater of:

43 (a) \$3.00 more than any minimum wage rate, that would
44 otherwise be applicable to covered transportation center workers,
45 established by the "New Jersey State Wage and Hour Law,"
46 P.L.1966, c.113 (C.34:11-56a et seq.); or

1 (b) any otherwise applicable minimum wage rate established
2 through a policy of the Port Authority of New York and New
3 Jersey;

4 (4) effective September 1, 2023, the greater of:

5 (a) \$3.50 more than any minimum wage rate, that would
6 otherwise be applicable to covered transportation center workers,
7 established by the "New Jersey State Wage and Hour Law,"
8 P.L.1966, c.113 (C.34:11-56a et seq.); or

9 (b) any otherwise applicable minimum wage rate established
10 through a policy of the Port Authority of New York and New
11 Jersey;

12 (5) effective September 1, 2024, the greater of:

13 (a) \$4.00 more than any minimum wage rate, that would
14 otherwise be applicable to covered transportation center workers,
15 established by the "New Jersey State Wage and Hour Law,"
16 P.L.1966, c.113 (C.34:11-56a et seq.); or

17 (b) any otherwise applicable minimum wage rate established
18 through a policy of the Port Authority of New York and New
19 Jersey; and

20 (6) effective September 1, 2025, and each September 1
21 thereafter, the greater of:

22 (a) \$4.00 more than any minimum wage rate, that would
23 otherwise be applicable to covered transportation center workers,
24 established by the "New Jersey State Wage and Hour Law,"
25 P.L.1966, c.113 (C.34:11-56a et seq.);

26 (b) any otherwise applicable minimum wage rate established
27 through a policy of the Port Authority of New York and New
28 Jersey; or

29 (c) an amount equal to the wage rate designated by the
30 commissioner on August 1 immediately preceding September 1 of
31 each year, based on the determination made by the United States
32 Department of Labor pursuant to the federal "McNamara-O'Hara
33 Service Contract Act" (41 U.S.C. s.351 et seq.), for the
34 classification of "Guard I" for the county in which the covered
35 transportation center is located.

36
37 3. On August 1, 2020 and each subsequent August 1 thereafter,
38 the commissioner shall designate the supplemental benefits rate and
39 paid leave requirements required based on the determination made
40 by the United States Department of Labor pursuant to the federal
41 "McNamara-O'Hara Service Contract Act " (41 U.S.C. s.6701 et
42 seq.), for the classification of "Guard I" for the county in which the
43 covered transportation center is located. The commissioner shall
44 publicly post those supplemental benefits rates and paid leave
45 requirements.

46
47 4. Any employer of a covered transportation center worker
48 shall compensate a covered transportation center worker at a rate

1 that is no less than the applicable standard rate. Nothing in this act
2 shall alter or limit an employer's obligation to pay any otherwise
3 applicable prevailing wage under the "New Jersey Prevailing Wage
4 Act," P.L.1963, c.150 (C.34:11-56.25 et seq.) or the prevailing
5 wage levels for the employees of contractors and subcontractors
6 furnishing building services established under P.L.2005, c.379
7 (C.34:11-56.58 et seq.).

8
9 5. The commissioner, in consultation with the Department of
10 Transportation and the Attorney General, shall promulgate rules and
11 regulations, pursuant to the "Administrative Procedure Act,"
12 P.L.1968, c.410 (C.52:14B-1 et seq.), within six months of the date
13 of enactment of this act, to implement the provisions of this act.

14
15 6. This act shall take effect on the first day of the third month
16 next following enactment.

17 18 19 STATEMENT

20
21 This bill requires certain transportation center workers to be paid
22 certain wage rates and supplemental benefits. Specifically, the bill
23 requires certain transportation center workers at the Newark Liberty
24 International Airport, the Newark Liberty International Airport
25 Train Station, Newark Penn Terminal, and Hoboken Terminal to be
26 paid certain wage rates that rise annually over the course of six
27 years, from September 1, 2020 to September 1, 2025.

28 Under the bill, covered transportation center worker means any
29 person employed to perform work at a covered transportation
30 center, provided at least one-half of the person's time during any
31 workweek is performed at a covered transportation center.
32 However, the bill excludes work performed for a mercantile
33 establishment or a restaurant.

34 In 2020, the wage rate will be the greater of: two dollars more
35 than any minimum wage rate established by the "New Jersey State
36 Wage and Hour Law," P.L.1966, c.113 (C.34:11-56a et seq.); or any
37 otherwise applicable minimum wage rate established through a
38 policy of the Port Authority of New York and New Jersey. In 2025,
39 the wage rate will be the greater of: four dollars more than any
40 minimum wage rate established by the "New Jersey State Wage and
41 Hour Law," P.L.1966, c.113 (C.34:11-56a et seq.); any otherwise
42 applicable minimum wage rate established through a policy of the
43 Port Authority of New York and New Jersey; or an amount equal to
44 the wage rate designated by the Commissioner of Labor and
45 Workforce Development on the August 1 immediately preceding
46 September 1 of each year, based on the determination made by the
47 United States Department of Labor pursuant to the federal
48 "McNamara-O'Hara Service Contract Act."

1 Additionally, the bill mandates a standard benefits supplement
2 rate and paid leave requirements for covered transportation center
3 workers.

WITHDRAWN