

SENATE, No. 989

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JANUARY 30, 2020

Sponsored by:

Senator LORETTA WEINBERG

District 37 (Bergen)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Co-Sponsored by:

Senators Ruiz, Cruz-Perez, Sacco, Singleton, Diegnan, Stack, Cunningham, Codey, Lagana, Vitale and Gopal

SYNOPSIS

“Healthy Terminals Act”; requires certain airport and train station workers to be paid certain wage rates and benefits.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 8/10/2020)

1 AN ACT concerning wages and benefits of certain airport and train
2 station workers and supplementing P.L.2005, c.379 (C.34:11-
3 56.58 et seq.).

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

7
8 1. The Legislature finds and declares that:

9 a. In 2018, over 30 million passengers traveled through
10 Newark Liberty International Airport, making this airport and the
11 Newark Liberty International Airport Train Station one of the
12 busiest transit hubs in the country.

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

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

22
23 2. As used in this act:

24 a. "Applicable standard rate" shall mean a combination of:

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

28 b. "Covered airport and related location" means Newark
29 Liberty International Airport and Newark Liberty International
30 Airport Train Station.

31 c. "Covered airport and related location worker" means any
32 person employed to perform work at a covered airport and related
33 location, provided at least half of the employee's time during any
34 workweek is performed at a covered airport and related location.

35 "Covered airport and related location worker" shall not include
36 persons employed in an executive, administrative, or professional
37 capacity as defined in subparagraph 1 of paragraph (a) of section 13
38 of the Fair Labor Standards Act of 1938 (29 U.S.C. s.213 et seq.).

39 "Covered airport and related location worker" shall not include any
40 person employed by a public agency.

41 d. "Public agency" means:

42 (1) any department or agency of the State of New Jersey and
43 any political subdivision thereof;

44 (2) the New Jersey Transit Corporation; and

45 (3) the Port Authority of New York and New Jersey.

46 e. "Standard benefits supplement rate" means an hourly
47 supplement furnished by a contractor to an employee in one of the
48 following ways:

1 (1) in the form of health and other benefits (not including paid
2 leave) that cost the employer the entire required hourly
3 supplemental amount;

4 (2) by providing a portion of the required hourly supplement in
5 the form of health and other benefits (not including paid leave) and
6 the balance in cash; or

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

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

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

24 g. "Standard wage rate" means:

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

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

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

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

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

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

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

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

46 (b) any otherwise applicable minimum wage rate established
47 through a policy of the Port Authority of New York and New
48 Jersey;

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

2 (a) \$3.50 more than any minimum wage rate, that would be
3 otherwise applicable to covered airport and related location
4 workers, established by the “New Jersey State Wage and Hour
5 Law,” P.L.1966, c.113 (C.34:11-56a et seq.); or

6 (b) any otherwise applicable minimum wage rate established
7 through a policy of the Port Authority of New York and New
8 Jersey;

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

10 (a) \$4.00 more than any minimum wage rate, that would be
11 otherwise applicable to covered airport and related location
12 workers, established by the “New Jersey State Wage and Hour
13 Law,” P.L.1966, c.113 (C.34:11-56a et seq.); or

14 (b) any otherwise applicable minimum wage rate established
15 through a policy of the Port Authority of New York and New
16 Jersey;

17 (6) effective September 1, 2025, and each September 1
18 thereafter, the greater of:

19 (a) \$4.00 more than any minimum wage rate, that would be
20 otherwise applicable to covered airport and related location
21 workers, established by the “New Jersey State Wage and Hour
22 Law,” P.L.1966, c.113 (C.34:11-56a et seq.); or

23 (b) any otherwise applicable minimum wage rate established
24 through a policy of the Port Authority of New York and New
25 Jersey; or

26 (c) an amount equal to the wage rate designated by the
27 commissioner the immediately preceding August 1 based on the
28 determination made by the United States Department of Labor
29 pursuant to the federal “McNamara-O'Hara Service Contract Act”
30 (41 U.S.C. s.6701 et seq.), for the classification of "Guard I" for the
31 county in which the covered airport and related location is located.

32

33 3. On August 1, 2020 and each August 1 thereafter, the
34 commissioner shall designate the supplemental benefits rate and
35 paid leave requirements required under the determination made by
36 the United States Department of Labor pursuant to the federal
37 “McNamara-O'Hara Service Contract Act” (41 U.S.C. s.6701 et
38 seq.), for the classification of "Guard I" for the county in which the
39 covered airport and related location is located. The commissioner
40 shall publicly post the designated supplemental benefits rates and
41 paid leave requirements.

42

43 4. Any employer of a covered airport and related location
44 worker shall ensure that such covered airport and related location
45 worker is compensated at a rate that is no less than the applicable
46 standard rate. Nothing in this article shall alter or limit any
47 employer’s obligation to pay any otherwise applicable prevailing
48 wage under the "New Jersey Prevailing Wage Act," P.L.1963, c.150

1 (C.34:11-56.25 et seq.) or the prevailing wage levels for the
2 employees of contractors and subcontractors furnishing building
3 services established under P.L.2005, c.379 (C.34:11-56.58 et seq.).
4

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

11 6. This act shall be known and may be cited as the “Healthy
12 Terminals Act.”
13

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

17
18 STATEMENT
19

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

26 Under the bill, covered airport and related location worker means
27 any person employed to perform work at Newark Liberty
28 International Airport or Newark Liberty International Airport Train
29 Station, provided at least one-half of the employee's time during
30 any workweek is performed at Newark Liberty International Airport
31 or Newark Liberty International Airport Train Station. The term
32 will not include not include persons employed in an executive,
33 administrative, or professional capacity, or any person employed by
34 a public agency.

35 In 2020, the wage rate will be the greater of: \$2.00 more than
36 any minimum wage rate, that would be otherwise applicable to
37 covered airport and related location workers, established by the
38 “New Jersey State Wage and Hour Law,” P.L.1966, c.113 (C.34:11-
39 56a et seq.); or any otherwise applicable minimum wage rate
40 established through a policy of the Port Authority of New York and
41 New Jersey.

42 In 2025, and each September 1 thereafter, the wage rate will be
43 the greater of: \$4.00 more than any minimum wage rate, that would
44 be otherwise applicable to covered airport and related location
45 workers, established by the “New Jersey State Wage and Hour
46 Law,” P.L.1966, c.113 (C.34:11-56a et seq.); or any otherwise
47 applicable minimum wage rate established through a policy of the
48 Port Authority of New York and New Jersey; or an amount equal to

1 the wage rate designated by the commissioner the immediately
2 preceding August 1 based on the determination made by the United
3 States Department of Labor pursuant to the federal "McNamara-
4 O'Hara Service Contract Act" (41 U.S.C. s.6701 et seq.), for the
5 classification of "Guard I" for the county in which the covered
6 airport and related location is located.

7 Additionally, the bill mandates a standard benefits supplement
8 rate and paid leave requirements for covered airport and train
9 station workers.