

§§1,2
C.34:15D-33
& 34:15D-34
§3
Approp.

P.L. 2021, CHAPTER 166, *approved July 8, 2021*
Assembly, No. 5891

- 1 **AN ACT** concerning the establishment of the “Office of Strategic
2 Enforcement and Compliance” in the Department of Labor and
3 Workforce Development and supplementing Title 34 of the
4 Revised Statutes.
5
- 6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
7 *of New Jersey:*
8
- 9 1. As used in this act:
10 “Commissioner” means the Commissioner of Labor and
11 Workforce Development, or the commissioner’s designee.
12 “Department” means the Department of Labor and Workforce
13 Development.
14 “Direct business assistance from the department” means
15 monetary or financial assistance in any form, including but not
16 limited to a grant or other monetary or financial benefit awarded to
17 a person by the department to assist the person in the conduct or
18 operation of a business, occupation, trade, or profession in the
19 State, in connection with the following programs:
20 (1) Customized training services provided pursuant to section 5
21 of P.L.1992, c.43 (C.34:15D-5);
22 (2) Employment and training services provided pursuant to
23 section 6 of P.L.1992, c.43 (C.34:15D-6);
24 (3) Employment and training services funded by the
25 Supplemental Workforce Fund for Basic Skills under section 1 of
26 P.L.2001, c.152 (C.34:15D-21);
27 (4) Outreach and training programs for minority group members
28 and women in construction trade occupations or other occupations
29 utilized in the performance of public works contracts funded by the
30 New Jersey Builders Utilization Initiative for Labor Diversity
31 (NJBUILD) pursuant to section 1 of P.L.2009, c.313 (C.52:38-7);
32 (5) The New Jersey Innovation and Research Fellowship
33 Program pursuant to section 3 of P.L.2015, c.235 (C.34:15D-26);
34 (6) The Apprenticeship Start-Up Grant Program pursuant to
35 section 3 of P.L.2019, c.417 (C.34:15D-6.1);
36 (7) The Apprentice Assistance and Support Services Pilot
37 Program pursuant to section 1 of P.L.2019, c.419 (C.34:15D-6.2);
38 (8) The New Jersey Pathways Leading Apprentices to a College
39 Education (NJPLACE) Program pursuant to section 1 of P.L.2009,
40 c.200 (C.34:15D-24);

1 (9) Any other program funded in whole or in part by the
2 Workforce Development Partnership Fund established under section
3 9 of P.L.1992, c.43 (C.34:15D-9);

4 (10) Any program funded by or through the Department in
5 whole or in part under the “Workforce Innovation and Opportunity
6 Act,” (29 U.S.C. s.3101 et seq.);

7 (11) Any program funded by or through the Department in
8 whole or in part under the “Wagner-Peyser Act,” (29 U.S.C. s.49 et
9 seq.);

10 (12) The Talent Network Program pursuant to section 2 of
11 P.L.2019, c.125 (C.34:15D-29);

12 (13) The industry-valued Credentials pilot program pursuant to
13 P.L.2019, c.252 (C.34:15D-30 et seq.);

14 (14) The High-Growth Industry Regional Apprenticeship
15 Development Grant Pilot Program pursuant to P.L.2019, c.314
16 (C.34:15D-32);

17 (15) The Youth Transitions to Work Partnership pursuant to
18 P.L.1993, c.268 (C.34:15E-1 et seq.);

19 (16) The At-Risk Youth Mentoring Program pursuant to
20 P.L.1999, c.279 (C.34:15F-1 et seq.); and

21 (17) Any other similar program by which the department confers
22 a monetary or financial benefit upon a person to assist the person in
23 the conduct or operation of a business, occupation, trade or
24 profession in the State.

25 "Final order" means either a final administrative determination of
26 the Commissioner issued following adjudication of a matter as a
27 contested case pursuant to the “Administrative Procedure Act,”
28 P.L.1968, c.410 (C.52:14B-1 et seq.), and the Uniform
29 Administrative Procedure Rules, N.J.A.C.1:1, or where the
30 department has made a finding regarding a violation of law or rule,
31 or regarding the levying of a penalty or fee pursuant to law or rule,
32 and has notified the violator of same and where the violator has
33 either expressly waived the right to a hearing or has waived the
34 right to a hearing by virtue of having failed to request same within
35 the appropriate time limit established by either law or rule.

36 “Person” means a natural person or an organization, including
37 but not limited to, a corporation, partnership, proprietorship, limited
38 liability company, association, cooperative, joint venture, estate,
39 trust, or government unit.

40 “Strategic enforcement” means a proactive, rather than purely
41 complaint driven, approach to enforcement, which focuses agency
42 resources to assist vulnerable employee communities and target
43 high-violation industries with the ultimate goal of increasing the
44 cost to violators of non-compliance, thereby changing non-
45 compliant behavior in a sustainable way.

46 “State wage, benefit and tax laws” means “State wage, benefit
47 and tax laws” as that term is defined in section 1 of P.L.2009, c.194
48 (C.34:1A-1.11).

1 2. a. There is hereby established in the department an “Office
2 of Strategic Enforcement and Compliance,” which shall oversee and
3 coordinate across the divisions of the department and, when
4 necessary, between the department and other State agencies and
5 entities, strategic enforcement of State wage, benefit and tax laws,
6 as deemed appropriate by the commissioner.

7 b. Each division within the department selected by the
8 commissioner shall designate at least one employee whose duties
9 shall include, among others, serving as a liaison with the “Office of
10 Strategic Enforcement and Compliance.”

11 c. The commissioner shall devote departmental resources,
12 including those of the department’s Office of Research and
13 Information, to support a data-driven approach to the work of the
14 “Office of Strategic Enforcement and Compliance.”

15 d. (1) As a precondition to the award to a person of direct
16 business assistance from the department, and as a precondition for
17 the department to report to another State agency or entity that a
18 business is in substantial good standing, the department shall
19 determine whether the person has any outstanding liability to the
20 department under any of the statutes or rules that the department
21 enforces, including but not limited to, for unpaid contributions to
22 the unemployment compensation fund or the State disability
23 benefits fund; to any individual on whose behalf the department has
24 issued a final order for the payment of wages or benefits; or for any
25 penalties, fees or interest due the department pursuant to a final
26 order issued under any of the statutes or rules that the department
27 enforces.

28 An as an example, prior to the department reporting substantial
29 good standing as required under the “New Jersey Economic
30 Recovery Act of 2020,” P.L.2020, c.156 (C.34:1B-269 et al.), the
31 department shall complete the determination required by this
32 paragraph.

33 If the department determines that a person has any outstanding
34 liability to the department under any of the statutes or rules that the
35 department enforces, the application by the person for direct
36 business assistance from the department shall be denied, and it shall
37 be reported to any inquiring State agency or entity that the business
38 is not in substantial good standing. If a person is seeking the award
39 of direct business assistance from the department, or where a report
40 has been requested as to whether the person is in substantial good
41 standing with the department, if the person has entered into an
42 agreement with the department to immediately and fully comply
43 with the statutes and rules enforced by the department and to
44 resolve all delinquencies or deficiencies within a time period
45 specified by the commissioner, then the commissioner may approve
46 the award of direct business assistance from the department, or
47 issue a report that the person is in substantial good standing with
48 the department, notwithstanding the outstanding liability to the

1 department under any of the statutes or rules that the department
2 enforces.

3 (2) The “Office of Strategic Enforcement and Compliance” shall
4 oversee and coordinate review processes good standing with the
5 Department’s laws and rules as determined under paragraph (1) of
6 this subsection.

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8 3. There is appropriated from the General Fund to the
9 Department of Labor and Workforce Development, \$1,000,000 to
10 support and expand the “Office of Strategic Enforcement and
11 Compliance” established within the department under this act.

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13 4. This act shall take effect immediately.

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16 STATEMENT

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18 This bill creates the “Office of Strategic Enforcement and
19 Compliance” within the Department of Labor and Workforce
20 Development to oversee and coordinate across the divisions of the
21 department and, when necessary, between the department and other
22 State agencies and entities, strategic enforcement of State wage,
23 benefit and tax laws, as deemed appropriate by the commissioner.

24 The bill provides that as a precondition to the award to a person
25 of direct business assistance from the department, and as a
26 precondition for the department to report to another State agency or
27 entity that a business is in substantial good standing, the department
28 is required to determine whether the person has any outstanding
29 liability to the department under any of the statutes or rules that the
30 department enforces, including but not limited to, for unpaid
31 contributions to the unemployment compensation fund or the State
32 disability benefits fund; to any individual on whose behalf the
33 department has issued a final order for the payment of wages or
34 benefits; or for any penalties, fees or interest due the department
35 pursuant to a final order issued under any of the statutes or rules
36 that the department enforces.

37 If the department determines that a person has any outstanding
38 liability to the department under any of the statutes or rules that the
39 department enforces, the bill provides that the application by the
40 person for direct business assistance from the department will be
41 denied, and it will be reported to any inquiring State agency or
42 entity that the business is not in substantial good standing. If a
43 person is seeking the award of direct business assistance from the
44 department, or where a report has been requested as to whether the
45 person is in substantial good standing with the department, the bill
46 provides that if the person has entered into an agreement with the
47 department to immediately and fully comply with the statutes and
48 rules enforced by the department and to resolve all delinquencies or

1 deficiencies within a time period specified by the commissioner,
2 then the commissioner may approve the award of direct business
3 assistance from the department, or issue a report that the person is
4 in substantial good standing with the department, notwithstanding
5 the outstanding liability to the department under any of the statutes
6 or rules that the department enforces.

7 The bill appropriates from the General Fund to the Department
8 of Labor and Workforce Development, \$1 million to support and
9 expand the “Office of Strategic Enforcement and Compliance” to
10 effectuate the purposes of the bill.

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15 Creates “Office of Strategic Enforcement and Compliance” in
16 DOLWD; appropriates \$1 million from General Fund.