

CHAPTER 271

AN ACT concerning labor contractors and supplementing Title 34 of the Revised Statutes.

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

C.34:8C-1 Definitions relative to labor contracts.

1. As used in this act:

“Client employer” means a business entity in the construction industry, regardless of its form, that obtains or is provided workers, directly from a labor contractor or indirectly from a subcontractor, to perform labor or services in the construction industry and within its usual course of business, but does not include a client employer employing workers pursuant to a collective bargaining agreement.

“Commissioner” means the Commissioner of Labor and Workforce Development.

“Labor contractor” means any individual, consulting firm, or other entity that supplies, either directly or indirectly, a client employer with workers to perform labor or services in the construction industry and within the client employer’s usual course of business, except that “labor contractor” does not include a contractor employing workers pursuant to a collective bargaining agreement, a bona fide labor organization or apprenticeship program, or a hiring hall operated pursuant to a collective bargaining agreement.

“Usual course of business” means the regular and customary work of a business, performed within or upon the premises or worksite of the client employer, or any other place of business of the client employer for which services or labor are performed.

C.34:8C-2 Responsibilities of labor contractor; certifications.

2. a. Any labor contractor that provides workers to a client employer in the construction industry shall:

(1) certify that the labor contractor has not charged recruitment fees to the workers;

(2) certify that the contractor is in compliance with all State and federal labor laws and regulations applicable to the contractor, including laws concerning wages, unemployment and temporary disability insurance, workers' compensation insurance, workplace safety and health, and the payment of payroll taxes; and

(3) certify that the owner or owners, and any employee of the labor contractor entity engaged in providing workers to client employers, have had criminal background checks in compliance with standards promulgated by the commissioner.

b. All certifications required by this act shall, in compliance with standards promulgated by the commissioner, be kept in written form on file by the contractor for not less than three years after the period of time to which they apply and be provided to the commissioner upon request, and provided to any client employer to whom the contractor provides workers at the time that the workers are provided. The client employer shall also keep the written certifications on file for a period of not less than three years after the period to which they apply and provide them to the commissioner upon request.

C.34:8C-3 Violations, penalties.

3. Any labor contractor or client employer who violates this act shall be subject to a civil penalty in an amount not to exceed \$1,000 per worker supplied to a client employer by the labor contractor for the first violation, \$5,000 per worker supplied to a client employer by the labor contractor for the second violation and \$10,000 per worker supplied to a client employer by the labor contractor for each subsequent violation, collectible by the commissioner in a summary proceeding pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274

(C.2A:58-10 et seq.). Each worker that a labor contractor supplies to a client employer without complying with the certification requirements of this act shall constitute a separate violation. Each worker that a client employer obtains from a labor contractor without obtaining certification from the contractor as required by this act shall constitute a separate violation.

4. This act shall take effect immediately.

Approved November 8, 2021.