

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

SENATE, No. 1259

STATE OF NEW JERSEY

DATED: MARCH 15, 2021

The Assembly Labor Committee reports favorably Senate Bill No. 1259.

The bill requires any labor contractor, including a consulting firm, that provides workers in the construction industry to a client employer to certify that:

1. the contractor has not charged recruitment fees to the workers;
2. the contractor is in compliance with all applicable State and federal labor laws and regulations; and
3. the owners and all employees of the labor contractor engaged in providing workers to client employers have had criminal background checks.

The bill requires that all of the certifications be kept on file by the contractor for not less than three years after the period of time to which they apply, be provided to the Commissioner of Labor and Workforce Development upon request, and be provided to any client employer to whom the contractor provides workers at the time that the workers are provided. The client employer is also required to keep the certifications on file and provide them to the commissioner upon request.

The bill does not apply to labor contractors or client firms employing workers pursuant to a collective bargaining agreement.

The bill provides that a labor contractor or client firm who violates the bill is subject to a civil penalty in an amount not to exceed \$1,000 per worker supplied for the first violation, \$5,000 per worker for the second violation and \$10,000 per worker for each subsequent violation, collectible by the commissioner in a summary proceeding. Each worker that a labor contractor supplies to a client employer without complying with the certification requirements of the bill constitutes a separate violation, and each worker that a client employer obtains from a labor contractor without obtaining the required certification from the contractor constitutes a separate violation.