

SENATE LABOR COMMITTEE

STATEMENT TO

SENATE, No. 3921

STATE OF NEW JERSEY

DATED: JUNE 16, 2021

The Senate Labor Committee reports favorably Senate Bill No. 3921.

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

The bill provides that as a precondition to the award to a person of direct business assistance from the department, and as a precondition for the department to report to another State agency or entity that a business is in substantial good standing, the department is required to determine whether the person has any outstanding liability:

1. to the department under any of the statutes or rules that the department enforces, including but not limited to, for unpaid contributions to the unemployment compensation fund or the State disability benefits fund;
2. to any individual on whose behalf the department has issued a final order for the payment of wages or benefits; or
3. for any penalties, fees or interest due the department pursuant to a final order issued under any of the statutes or rules that the department enforces.

If the department determines that a person has any of these outstanding liabilities, the bill provides that the application by the person for direct business assistance from the department will be denied, and it will be reported to any inquiring State agency or entity that the business is not in substantial good standing, except that the bill provides that if the person enters into an agreement with the department to immediately and fully comply with the department statutes and rules and to resolve all delinquencies or deficiencies within a time period specified by the commissioner, the commissioner may approve the award of direct business assistance from the department, or issue a report that the person is in substantial good standing with the department, notwithstanding the outstanding liability.

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