

ASSEMBLY, No. 5891

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JUNE 9, 2021

Sponsored by:

Assemblyman JOSEPH V. EGAN

District 17 (Middlesex and Somerset)

Assemblyman ROBERT J. KARABINCHAK

District 18 (Middlesex)

Assemblyman PARKER SPACE

District 24 (Morris, Sussex and Warren)

Co-Sponsored by:

Assemblymen Wirths and Verrelli

SYNOPSIS

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

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/16/2021)

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:

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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);

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

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

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

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

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

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

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

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

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

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

30 “Person” means a natural person or an organization, including
31 but not limited to, a corporation, partnership, proprietorship, limited
32 liability company, association, cooperative, joint venture, estate,
33 trust, or government unit.

34 “Strategic enforcement” means a proactive, rather than purely
35 complaint driven, approach to enforcement, which focuses agency
36 resources to assist vulnerable employee communities and target
37 high-violation industries with the ultimate goal of increasing the
38 cost to violators of non-compliance, thereby changing non-
39 compliant behavior in a sustainable way.

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

43

44 2. a. There is hereby established in the department an “Office
45 of Strategic Enforcement and Compliance,” which shall oversee and
46 coordinate across the divisions of the department and, when
47 necessary, between the department and other State agencies and

1 entities, strategic enforcement of State wage, benefit and tax laws,
2 as deemed appropriate by the commissioner.

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

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

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

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

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

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

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

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11 4. This act shall take effect immediately.

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STATEMENT

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

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

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

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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.