

(b) If, within 10 days of a request by the Commissioner, a public works employer fails to file the material listed in (a)1 or 3 above, sworn as to its accuracy, the Commissioner may, within 15 days:

1. Direct the officer responsible for disbursement of funds for the public body which contracted for the public works project to withhold from the employer 25 percent of the amount, not to exceed \$100,000, due the employer under the contract for the project.

2. When the employer complies with the request for records, the Commissioner shall notify the public body, who shall immediately release the withheld funds.

(c) The public works employers shall submit to the public body or lessor which contracted for the public works project the following in a form satisfactory to the Commissioner (see Appendix A, incorporated herein by reference).

1. A certified payroll record on each public works project.

i. Such record shall be submitted each payroll period within 10 days of the payment of wages.

ii. The public body shall receive, file, store and make available for inspection during normal business hours the certified payroll records. In its discretion, it may store these records at any depository, such as a public library or other public building, so long as such documents are available for inspection during normal business hours.

Amended by R.1992 d.94, effective February 18, 1992.

See: 23 N.J.R. 2945(a), 24 N.J.R. 622(b).

Added (c).

SUBCHAPTER 7. CRITERIA FOR DETERMINING APPRENTICE TO JOURNEYMAN RATIO

12:60-7.1 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

“Apprentice” means an individual who, while performing work on a public work project, is registered, in good standing, in an apprenticeship program approved or certified by the Division of Vocational Education in the New Jersey Department of Education or by the Bureau of Apprenticeship and Training in the United States Department of Labor.

“Records” means all books, registers, payrolls, and any other documentation maintained by the employer that have a bearing upon the question of wages, hours and other conditions of employment of any workmen.

12:60-7.2 Responsibilities of contractors and subcontractors

(a) A contractor or subcontractor employing one or more apprentices on a public work project shall maintain with its records written evidence that the apprentice or apprentices are registered in an approved apprenticeship program while performing work on the project.

1. The contractor or subcontractor shall make all records available for inspection by the public body awarding the contract and by the Commissioner during normal business hours.

2. The awarding body and the Commissioner shall have unencumbered access to the employees who are employed on a public work project for the purpose of interviewing and determining compliance.

(b) A contractor or subcontractor shall not create job titles and worker classifications which are not consistent with prevailing practices and existing task ratios for a specific building trades craft for the purpose of circumventing the intent of this subchapter.

12:60-7.3 Ratio of apprentices to journeymen

(a) Upon determining the prevailing wage rate and establishing the prevailing wage in the locality for each craft, trade or class of workmen needed to perform public work contracts, the Commissioner shall also determine the ratio of apprentices to journeymen for the purpose of establishing the number of workmen who may be paid the apprentice rate.

(b) If no ratio of apprentices to journeymen is set forth in the collective bargaining agreement used by the Commissioner to make his or her prevailing wage determination, the maximum ratio of apprentices to journeymen shall be one apprentice to every four journeymen.

(c) If the prevailing collective bargaining agreement for a craft or trade does not provide for an apprentice rate, the employer shall pay the employees not less than the journeyman’s rate even if an employee is registered in an apprentice program for that trade.

12:60-7.4 Correction of wage rate

(a) If the Department determines that a worker who has been paid an apprentice wage rate on a project is entitled to a journeyman’s rate, the Department shall conduct an audit and require the contractor or subcontractor to pay the worker an additional amount equal to the difference between the rate of an apprentice and the rate of a journeyman plus any applicable benefits the worker is entitled to as a journeyman.

SUBCHAPTER 8. DEBARMENT FROM CONTRACTING

12:60-8.1 Purpose and scope

(a) The purpose of this subchapter is to set forth the conditions which constitute grounds for debarment from public works and Economic Development Authority (EDA) contracts, and to notify individuals of the departmental policies and procedures concerning debarment.

(b) The provisions of this subchapter shall be applicable to all contractors, subcontractors, and other persons who perform public works for any public body and EDA projects in New Jersey.

12:60-8.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise:

“Commissioner” means the Commissioner of the Department of Labor or his or her designee.

“Contractor” means a person who undertakes to perform a job or piece of a public works project or EDA project and who retains control of the means, method and manner of accomplishing the desired result. Contractor includes the officers and directors of a corporate contractor.

“Debarment” means the inclusion on a Statewide list of persons who are prohibited from performing public works or EDA projects, on the basis of a lack of responsibility evidenced by an offense as set forth in this subchapter.

“Department” means the New Jersey Department of Labor.

“Person” means any natural person, company corporate officer or principal, firm, association, corporation, contractor, subcontractor or other entity engaged in public works or EDA projects.

“Public body” means the State of New Jersey, any of its political subdivisions, any authority created by the Legislature of the State of New Jersey and any instrumentality or agency of the State of New Jersey or of any of its political subdivisions.

“Public work” means constructions, reconstruction, demolition, alteration, or repair work or maintenance work, including painting and decorating, done under contract and paid for in whole or in part out of the funds of a public body, except work performed under a rehabilitation program.

“Suspension” means an exclusion from contracting for future public works or EDA projects for a temporary period of time, pending the completion of debarment proceedings.

12:60-8.3 Conditions of debarment

(a) Debarment from public works or EDA contracts shall be made only with the approval of the Commissioner, except as otherwise provided by law.

(b) The Commissioner may debar a person, after an investigation and determination that the person has failed or refused to pay the prevailing wage rate.

(c) A violation as listed in (b) above shall not necessarily require that a person be debarred. In each case, the decision to debar shall be made at the discretion of the Commissioner unless otherwise provided by law. The Commissioner may consider the following factors as material in each decision to debar:

1. The record of previous violations by the person with the Office of Wage and Hour Compliance;
2. Previous cases of debarment by the Commissioner;
3. The frequency of violations by the person discovered in previous cases;
4. The significance or scale of the violations, consisting of shortfalls in wages or fringe benefits computed in audits;
5. The existence of outstanding audit(s) or failure(s) to pay;
6. Failure to respond to a request to produce records, forms, documents, or proof of payments; and
7. Submission of falsified or altered records, forms, documents, or proof of payment.

(d) The Commissioner may, upon the approval of the Attorney General, suspend a person pending debarment action.

1. When the Commissioner suspends a person from contracting, the person suspended shall be furnished with a written notice stating:
 - i. That suspension has been imposed and its effective date;
 - ii. The reasons for the suspension, to the extent that the Attorney General determines that such reasons may be properly disclosed; and
 - iii. That the suspension is for a temporary period, but that whenever debarment action has been initiated, the suspension may continue until the legal proceedings are completed.

Case Notes

Roofing company debarred; failure to pay overtime. *Grove Roofing, Inc. v. Department of Labor*, 94 N.J.A.R.2d (LBR) 18.

Contracting company debarred; failure to pay prevailing wages. *Department of Labor v. Bob Jones Electrical Contracting Co., Inc.*, 94 N.J.A.R.2d (LBR) 10.