



## NEW JERSEY DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

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FOR IMMEDIATE RELEASE

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### **Recent Cases Demonstrate NJ Labor Department's Crackdown on Unscrupulous Public Works Contractors**

**TRENTON** – The New Jersey Department of Labor and Workforce Development's Wage and Hour Compliance Division has barred two public works contractors from doing business in the state for violations in other jurisdictions, heralding a tough and progressive new enforcement approach against dishonest contractors.

The cases against drywall contractor P & B Partitions and electrical contractor MJK Electrical Corp., both of West Berlin, were settled last month, with each contractor agreeing to a temporary revocation of their registration for violations outside prevailing wage law.

"As I have often said, working on public projects is a privilege, not a right," said Labor Commissioner Robert Asaro-Angelo. "These cases signal a new and bold effort to ensure that privilege is extended only to contractors who follow our laws, and pertinent laws in other jurisdictions."

P & B Partitions' two-year revocation follows a civil action in Massachusetts in which the company allegedly failed to pay proper overtime, resulting in \$158,139 in back wages and \$42,350 in penalties as a result of a ULDO investigation under the Fair Labor Standards Act. The case was a consequence of a Memorandum of Cooperation signed by Asaro-Angelo and USDOL officials to solidify cooperation between the two agencies and enhance the enforcement capabilities of state and federal labor laws.

In the case of MJK Electrical, the Labor Department's enforcement action followed a guilty plea by the firm's vice president, George Peltz, to federal tax evasion, failing to pay payroll taxes, theft from an employee benefits plan, and unlawful payments to a union official. The company, which indicated its intent to buy out Peltz, agreed to a three-year registration revocation, ending in March of 2022.

New Jersey already has one of the strongest prevailing wage laws in the country. The Public Works Contractor Registration Act requires all contractors, including named subcontractors, to register with the Labor Department before submitting price proposals or engaging in public works contracts exceeding the prevailing wage threshold of \$15,444 for municipalities and \$2,000 for non-municipal work.

