

OTHER ACCOMPLISHMENTS

- Helped pass the “Lend-Lease Act,” which extends prevailing wage regulations to any project involving property or premises owned or majority leased by the state.
- Secured passage of legislation that penalizes contractors who knowingly misclassify employees as independent contractors.
- Mobilized public support for major economic development projects, including the \$5 billion Trans-Hudson Express Tunnel, the multi-billion-dollar widening of the New Jersey Turnpike, and billions of dollars of public and private development.



NEW JERSEY LECET



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New Jersey LECET Makes It Harder for Law Breakers to Hide

New Jersey has one of the strongest prevailing wage laws in the nation, and New Jersey LECET’s Alliance for Competitive Contracting (ACC) helps the state aggressively enforce the law, routinely debaring prevailing wage violators. In 2007 alone, the ACC helped debar 17 such contractors from bidding public work, and helped recover more than \$300,000 in fines, fees, and back wages. But too often, a violator would establish a new company, using the same equipment, personnel, and even premises as the old company, register with the New Jersey Department of Labor under the new name, and once again bid on public works projects.

This use of “alter-ego” corporations was weakening the prevailing wage law, harming workers, and cheating law-abiding contractors. So New Jersey LECET worked with state officials to pass legislation that makes it nearly impossible for prevailing wage violators to dodge debarment by establishing a dummy corporation. The law considers a new corporation to be the same entity as a debarred corporation if any of the individuals listed in the complaint against the debarred corporation are involved in the direction or control of the new corporation. And regardless of whether the two companies’ principals are the same, the law judges an “alter-ego” contractor based on other tell-tale signs of re-establishment including using the same equipment, performing the same type of work, or using the same address or phone number.

Thanks to this new “alter-ego” legislation, scofflaw contractors will find that they can no longer hide behind paper fronts, and law-abiding union contractors will find themselves competing on a much more level playing field.