ASSEMBLY COMMERCE AND ECONOMIC DEVELOPMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5583

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 22, 2023

The Assembly Commerce and Economic Development Committee reports favorably and with committee amendments Assembly Bill No. 5583.

As amended, this bill amends the "New Jersey Prevailing Wage Act" to clarify that certain offsite fabrication that historically had not been subject to prevailing wage requirements was not intended to be covered. In 2019, the "New Jersey Prevailing Wage Act" was amended to provide coverage under the law for custom fabrication which is either of components or structures pre-fabricated to specifications for a particular project or other materials finished into components without further modification for use in a project or type of classification of a project. This bill amends that language to clarify that the "New Jersey Prevailing Wage Act" applies only to fabrication which is one or more entire structures or modules of the building or work, as opposed to smaller pre-fabricated components, with minimal construction work remaining other than the installation or assembly of the structure or modules. The bill further specifies that the "New Jersey Prevailing Wage Act" applies regardless of whether unforeseen construction work is required on the public work site to modify the custom fabricated item for the purpose of installation.

COMMITTEE AMENDMENTS:

The committee amendments to the bill:

(1) specify "New Jersey Prevailing Wage Act" applicability regardless of whether unforeseen construction work is required on the public work site to modify the custom fabricated item for the purpose of installation; and

(2) clarify the bill's definition of the term "custom fabrication" by providing the term does not include components or materials such as structural steel members or precast concrete, or smaller prefabricated components.