ASSEMBLY COMMERCE, ECONOMIC DEVELOPMENT AND AGRICULTURE COMMITTEE

STATEMENT TO

[First Reprint]
ASSEMBLY, No. 6237

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 5, 2026

The Assembly Commerce, Economic Development and Agriculture Committee reports favorably and with committee amendments Assembly Bill No. 6237 (1R).

As amended, the bill requires payment of the prevailing wage for data center construction projects that have an electrical capacity of five megawatts or greater annually after construction.

Under the bill, contractors performing work on data center construction projects are required to meet certain eligibility, safety, insurance, and labor compliance requirements. A contractor may not perform work on a data center construction project unless the contractor is registered and in compliance with "The Public Works Contractor Registration Act," has not been debarred, submits certified payroll records, and demonstrates compliance with certain safety and performance qualifications.

The bill requires contractors to maintain workers' compensation insurance, general liability insurance, and owned and leased motor vehicle insurance. Contractors are also required to provide a performance and payment bond in an amount not less than 150 percent of the value of the contract.

Further, the bill requires contractors to be jointly and severally liable for any wages, benefits, or other amounts owed to any worker not appropriately paid by a subcontractor on the data center construction project. The bill restricts the use of temporary labor services to workers enrolled in registered apprenticeship programs.

The bill requires contractors to maintain daily sign-in sheets documenting each worker's name, the worker's contractor, and arrival and departure times. The bill also establishes construction training requirements for workers and supervisors and requires equipment-specific training for workers operating heavy construction equipment or power actuated tools.

The bill provides that all workers employed on a data center construction project undergo drug testing. The bill further provides that all of the information required to be maintained by a contractor

under the bill's provisions is to be made available upon request to the New Jersey Department of Labor and Workforce Development.

Finally, projects designed to have an average electrical usage of 25 megawatts or greater after construction may include a project labor agreement with a labor organization where it has been determined prior to the commencement of construction that the project advances the State and local community interests on energy, efficiency, quality, safety, timeliness, and a skilled labor force.

As amended and reported by the committee, Assembly Bill No. 6237 (1R) is identical to Senate Bill No. 4928 (1R), which was also reported and amended by the committee on this date.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) remove a requirement that contractors comply with Internal Revenue Service requirements for classification of independent contractors;

(2) require contractors make available upon request to the New Jersey Department of Labor and Workforce Development certain information required to be maintained under the bill's provisions;

(3) provide that a data center construction project may include a project labor agreement with the labor organizations with collective bargaining agreements that are or were the basis for a determination of the prevailing wage under the project;

(4) clarify that the provisions of the bill only would apply to data center construction projects that commence on or after the effective date; and

(5) make clarifying and technical changes.