DIVISION OF LOCAL GOVERNMENT SERVICES

Local Finance Notice



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The Workplace Accountability in Labor List & Online Certified Payroll System for Prevailing Wage Projects

This Notice explains <u>The Workplace Accountability in Labor List (The WALL)</u> and the new electronic system for submitting certified payrolls for projects subject to the Prevailing Wage Act (N.J.S.A. 34:11-56.25 et seq.); i.e. contracts for "public work."

As of July 1, 2024, the prevailing wage threshold is \$19,375 for municipalities. The prevailing wage threshold for all other public bodies remains at \$2,000. Contracts for public work that exceed the prevailing wage threshold are subject to both the Prevailing Wage Act and the Public Works Contractor Registration Act (N.J.S.A. 34:11-56.48 et seq.). Contracting units are reminded that stop work orders may be issued on any prevailing wage project that is not compliant with either law.

The Workplace Accountability in Labor List (The WALL)

L. 2019, c. 366 (N.J.S.A. 34:1A-1.16) authorized the New Jersey Department of Labor and Workforce Development (NJDOL) to create and maintain The WALL, which is a list of any person found in violation of any State wage, benefit, and tax laws and against whom a final order has been issued by the NJDOL Commissioner or other appropriate agency officer for such violations. "Person" means any natural person, company corporate officer or principal, firm, association, corporation, contractor, subcontractor or other entity engaged in contracting.

A person placed on The WALL is prohibited from contracting with any public body until the liability for violations of State wage, benefit, and tax laws have been resolved to the satisfaction of the NJDOL. THE WALL is applicable to <u>all</u> procurements regardless of dollar value. The WALL, which is updated monthly by no later than the fifth (5th) day of each month, is available to view or download on the NJDOL Office of Strategic Enforcement and Compliance (OSEC) <u>webpage</u>.

Contracting units must cross-check prospective contractor and vendor names against the WALL prior to awarding a contract, including before awarding a contract off of a cooperative contract. Recognizing that it may not be practical to check The WALL prior to each individual small-dollar purchase, to ensure that purchases beneath the quote threshold are not made with vendors or contractors appearing on The WALL a purchasing agent should review The WALL when updated each month and provide the updated list to each department with the authority to make delegated purchases.

The WALL is separate from other accountability measures, such as public contractor debarment and business license suspension or revocation. Contracting units must continue to check other applicable debarment lists as part of the procurement process. See Local Finance Notice 2021-20 for further guidance on contractor debarment on public works projects. A contractor or vendor having been removed from the WALL may still appear on other debarment lists restricting them from public contracting opportunities.

Please direct any questions concerning the WALL to OSECInquiries@dol.nj.gov or 609-376-4952.

Electronic Submission of Certified Payrolls for Prevailing Wage Projects

<u>L. 2023, c. 138</u> requires the public works contractor registration and certified payrolls for prevailing wage projects to be submitted online. Effective August 15, 2024, contractors or subcontractors performing on a prevailing wage project must submit their certified payroll records on the NJDOL <u>New Jersey Wage Hub</u> with contracting units likewise required to register on the system. NJDOL strongly recommends that a contracting unit affirmatively create an entry for each public project, as the contracting unit will not have editing privileges if the contractor creates the project in the system.

Any project that falls within the definition of "public work" is subject to the Prevailing Wage Act. "Public work" is defined as "construction, 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 the public body, except work performed under a rehabilitation program. Public work also means construction, reconstruction, demolition, alteration, or repair work done on any property or premises, whether or not the work is paid from public funds, if at the time of entering into the contract:

- Not less than 55% of the property or premises is leased by a public body, or is subject to an agreement to be subsequently leased by the public body; and
- The portion of the property or premises that is leased or subject to an agreement to be subsequently leased by the public body measures more than 20,000 square feet."

Pursuant to the law, contractors are required to submit the certified payroll records to both the public agency awarding the contract and through online submission within 10 days of the date on which the wages were paid to a worker. The online submission does not relieve the contractor of the requirement to submit the certified payroll records to the public body awarding the contract.

Online instructional videos are available to assist in the registration process, creating projects and uploading certified payrolls. Email njwagehubinfo@dol.nj.gov for further assistance with registration.

Approved: Jacquelyn A. Suárez, Commissioner & Director

Document	Internet Address
The WALL	https://www.nj.gov/labor/ea/osec/wall.shtml
New Jersey Wage Hub	https://njwages.nj.gov/
L. 2019, c. 366	https://pub.njleg.state.nj.us/Bills/2018/PL19/366 .PDF
L. 2023, c. 138	https://pub.njleg.state.nj.us/Bills/2022/PL23/138 .PDF
LFN 2021-20	https://www.nj.gov/dca/dlgs/lfns/2021/2021-20.pdf