

MECHANICAL AND ALLIED CRAFTS M.A.C.

COUNCIL OF NEW JERSEY



Public Policy Positions & Priorities

2008-2009 Legislative Session

THE MECHANICAL AND ALLIED CRAFTS COUNCIL

The MAC Trades

The **MAC** is a forward-thinking coalition of unionized mechanical trades with broad public policy interests. These trades, representing 55,000 members statewide, are:



Elevator Constructors

Elevator Constructor Local 5



International Brotherhood of Electrical Workers (IBEW)

IBEW Local 102 IBEW Local 400
IBEW Local 164 IBEW Local 456
IBEW Local 269
IBEW Local 351



Insulators and Asbestos Workers

Asbestos Workers Local 14
Asbestos Workers Local 32
Asbestos Workers Local 42
Asbestos Workers Local 89



Sheet Metal Workers

Sheet Metal Workers Local 19
Sheet Metal Workers Local 22
Sheet Metal Workers Local 25
Sheet Metal Workers Local 27
Sheet Metal Workers Local 137



United Association (UA) of Pipe Trades

Plumbers & Pipefitters Local 9 Plumbers & Pipefitters Local 322
Plumbers Local 14 Steamfitters Local 475
Plumbers Local 24 Sprinkler Fitters Local 669
Pipefitters Local 274 Sprinkler Fitters Local 696
Sprinkler Fitters Local 692

THE MECHANICAL AND ALLIED CRAFTS COUNCIL

Public Policy Positions & Priorities - The MAC

Vital to enhancing and safeguarding the lifestyles of all our citizens, **MAC** members' skills and commitment to quality are found in public and private projects in all 21 counties, supporting residential developments, commercial, industrial, manufacturing and production facilities, such as homes, hospitals, schools, airports, power plants and refineries, research and development laboratories, office complexes, water and sewage treatment plants, hotels and breweries.

A public policy priority is the revitalization and growth of our state's economy amid a balanced, flexible, streamlined approach to environmental protection and development. Private sector investment in building, construction and service represents the most significant portion of the man hours generated by the mechanical trades. It is imperative that public policy decision makers focus their attention on delivering economic initiatives to stimulate private sector business investment and job creation.

The **MAC** will concentrate its efforts on:

- ❖ Promotion of pro-investment private sector public policies
- ❖ Elimination of impediments to responsible development and redevelopment
- ❖ Execution of smart, not crippling, environmental practices
- ❖ Elimination of unnecessary and onerous regulations
- ❖ Passage of trade-specific labor laws

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Public Policy Positions & Priorities - Overview

The **MAC** recognizes that the state's economic engine is fueled by private-sector investment and growth, and our sustainability is directly tied to that development and growth. Yet, these industries and companies face mounting roadblocks to succeeding here, from burdensome economic and environmental policies that only add to the high cost of doing business in our state and stifle greater private-sector investment in development and redevelopment, to increasing global and state competition.

The **MAC** advocates for pro-investment public policies and economic strategies that reduces these obstacles, removes the impediments to development and redevelopment and creates incentives to stimulate business retention and expansion in New Jersey.

The **MAC** -- and the construction industry as a whole -- is dependent on public policies that encourage and support economic growth and continued business investment, especially in key industry areas that benefit the entire state. These industries include manufacturing, production and R&D operations associated with the state's pharmaceutical, petroleum, petrochemical, chemical and energy generation industries. The **MAC** has proactively established strategic working alliances with these industries to coordinate support for pro-investment strategies and policies.

The **MAC** will advocate passionately on policy positions and priorities among the following broad-based issue areas:

- ❖ Economic Development
- ❖ Building and Construction
- ❖ Energy Generation
- ❖ Environment

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Public Policy Positions & Priorities - Economic Development

The **MAC** will advocate for Legislative and Administrative initiatives and public policies that position New Jersey as a pro-investment state, with a focus on support for private sector-driven growth and building expansion.

The **MAC** believes New Jersey should support measures that help key industry sectors and other businesses remain and further invest here, and similarly attract companies to our state to stimulate job creation. Likewise, New Jersey should seek the removal of the regulatory obstacles that impede timely completion of private and public sector building and construction activities to stimulate and further support investment and growth through responsible development and redevelopment.

Policy Priorities:

SUPPORT

Initiative: Reform the permitting process to ensure expedited review, issuance and accountability for all applications, and move permitting function from DEP to Office of Economic Growth, to ensure consistency with its role in economic development management.

S-281/A-239 – New Jersey Economic Development Promotion Act

Sponsors: Senators T Kean, J Adler/Assemblyman J. Bramnick

A-830 – Establishes Innovation Zone Program to Stimulate Technology Industry Clusters

Sponsors: Assembly members U. Chivukula, L. Greenstein, P Lampitt

A-1490 – Creates “Petroleum Manufacturing Retention and Expansion Zones”

Sponsors: Assembly members J. Burzichelli, D. Fisher

S-280/A-1410 – Lowers the minimum full-time jobs requirement for business relocation and retention tax credits.

Sponsors: Senators. T. Kean, A. Bucco/Assembly members D. Fisher, J. Burzichelli

S-300/A-2011 – Transfers Atlantic City Convention Center project to Atlantic City Convention and Visitors Authority.

Sponsors: Senators. J. Whelan, J. Van Drew/Assemblyman J. Burzichelli

OPPOSE

The New Jersey Council on Affordable Housing (COAH) Round Three affordable housing regulations, which creates yet another disincentive to private sector investment by imposing fees on non-residential developers and eliminates the previous policy sending money from communities with a COAH obligation to other communities with a need to build housing. This creates a perfect storm, pouring down adverse effects on the building and construction industry.

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Public Policy Positions & Priorities - Building And Construction

The **MAC** recognizes that a sustainable state economy is dependant on a highly skilled, highly trained unionized Mechanical and Allied Crafts labor force that is committed to quality, and whose professionalism should be recognized in wages commensurate with their training and experience.

The **MAC** is committed to ensuring the state's full enforcement of the New Jersey Prevailing Wage Act. Bad actors who knowingly and willingly circumvent the prevailing wage statutes must be held accountable to the full extent of the law, including aggressive debarment efforts. The State's permissive approach – acceptance of substantially reduced penalty payments and lack of debarment proceedings – with unscrupulous contactors, who include out-of-state violators, repeat offenders and employers of undocumented workers, is unacceptable, unjust and fosters an uneven playing field for those law abiding contractors and the skilled labor they employ. The State must act quickly and decisively in fully prosecuting these violators. The New Jersey State Prevailing Wage Act was established to recognize the need to protect and preserve the efficiency and product quality of craft workers on public projects. The Act also seeks to ensure an equitable playing field for those craftsmen and their employers performing this work by shielding them and public projects from reduced wage levels that creates unfair competition and lack of quality craftsmanship.

Policy Priorities:

SUPPORT

Initiative: Demand more stringent enforcement of the Prevailing Wage Act, and tougher prosecution of violators, including decisive debarment proceedings, which will ensure fair and equitable competition on projects and result in increased revenues for the State through fines and interest.

S-1312 – Punishes companies who knowingly hire illegal aliens through business license suspensions.

Sponsors: Senators S. Sweeney, J. Adler

SCR-60/ACR-134 – Authorizes constitutional amendment banning the diversion of worker benefit funds from the UI, TDI and workers compensation funds for any other use than paying worker benefits.

Sponsors: Senators S. Sweeney, T. Kean / Assemblyman J. Burzichelli

S-899 – Permits the use of project labor agreements in all construction projects, including water and sewage treatment plants.

Sponsor: Senator J. Van Drew

A-1838 – Extends prevailing wage requirements to projects of county bridge commissions.

Sponsor: Assemblyman H. Conaway

A-1917 – Establishes additional bases for disqualification of bidder under “Local Public Contracts Law” and clarifies existing law.

Sponsor: Assemblyman R. Gusciora

A-363 – “Group Home Fire Safety Act”

Sponsors: Assembly members P. Diegnan, F. Scalera, J. Burzichelli, N Cohen

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Public Policy Positions & Priorities - Environment

The **MAC** recognizes that the Legislature and Administration must strike a balance between protection of our State's natural resources and support for necessary economic growth through development and redevelopment incentives. In the proposal and execution of its laws and rules, government must exercise urgency, flexibility, innovation, transparency and clarity in all its actions to properly fulfill its responsibilities and support our economy.

The **MAC** also recognizes the benefits of "Green Building and Construction," and will apply its vast industry knowledge and experience as a *First Line* resource for the State and other entities in the proposal of related laws and rules and decisions on "Green" applications.

Policy Priorities:

SUPPORT

Initiative: Reform the permitting process to ensure expedited review, issuance and accountability for all applications, and move permitting function from DEP to Office of Economic Growth, to ensure consistency with its role in economic development management.

A-1458 – Repeals Highlands planning and environmental permitting provisions of "Highlands Water Protection and Planning Act," and amends various statutes to reflect repeal thereof.

Sponsors: Assembly members A. DeCroce, R. Merkt, M. Karrow

A-2867 – The "Permit Extension Act of 2008" that would extend for six years all permits and approvals given developers by the state and local governments to help boost the economy and stimulate the building and construction sector.

Sponsors: Assembly members L. Greenwald/J. Cryan

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Public Policy Positions & Priorities - Energy

In New Jersey the growing demand for energy usage is likely to outpace the supply. The **MAC** advocates that New Jersey develop comprehensive and balanced statewide energy policies that recognize the need to balance economic benefits with environmental impacts. While we support expanding energy efficiency and a greater reliance on the use of renewable energy sources, the State must recognize its reliance on traditional sources of generation to meet its growing capacity requirements. These clean, reliable and viable sources include nuclear power plants and, with the proper clean-technology investment, so, too, can be coal-powered generating plants.

Policy Priorities:

SUPPORT

A-1490 – Allows for municipal designation of “Petroleum Manufacturing Retention and Expansion Zones,” requires DEP to expedite permitting in these zones.

Sponsor: Assembly members J. Burzichelli, D. Fisher, J. Wisniewski

OPPOSE

A-1185 – Establishes procedures for guaranteed energy savings contracts by government entities.

Sponsors: Assemblywoman S. Oliver

NOTE: The **MAC** is willing to work with the appropriate government entities to develop a program that will advance energy improvements in public buildings and provide real energy savings through a broader definition of “Energy Savings Company,” and without affecting the existing competitive bidding laws.

THE MECHANICAL AND ALLIED CRAFTS COUNCIL

Public Policy Positions & Priorities - Bill Tracking History

The key bills the **MAC** pushed to become law in the 2006-2007 Legislative Session included:

Policy Priorities:

SUPPORT

HVAC Contractors Licensing Act

The law establishing the State Board of Examiners for Heating, Ventilating, Air Conditioning and Refrigeration Contractors was signed in December. It establishes licensing requirements for those persons engaged in the business of heating, ventilating and air conditioning contracting and the responsible collection and disbursement of chlorofluorocarbons and other refrigerants to protect the environment. The nine members board will consist of two public members; three members shall be heating, ventilating and air conditioning contractors with at least 10 years experience; two members shall be mechanical inspectors with at least 10 years experience, one member shall be a journeyman HVAC tradesperson with at least 10 years experience; and one member shall be a State executive department member.

A3889

This law, signed in April 2007, prohibits debarred contractors from setting up a new corporation or changing the name of an existing corporation to avoid paying employees a prevailing wage. It specifically addresses debarments resulting from a firm's failure to pay the prevailing wage on public works, and also prohibits debarred contractors and subcontractors from having any interest in a company bidding on public work. The measure is sponsored by Assemblymen Joe Egan, Jeff Van Drew and Fred Scalera..

A-3890

This law, also signed in April 2007, further strengthens the current "Prevailing Wage Act" in two important respects. It authorizes terminations of contractors' or subcontractors' work for failure to pay prevailing wages in capital projects involving leased properties. And it clarifies the definition of public works, specifying that a prevailing wage must be paid for work completed on a public building -- even if that project is not paid for with public funds. The bill was sponsored by Egan, Van Drew and Assemblyman Paul Moriarty.

A-4009

This bill, signed into law in July, enables the state to crack down on the misclassification of full-time construction workers as independent contractors. This law ensures that any attempt by companies to shirk their responsibility to their employees and to the public by misclassifying workers and undercutting their wages will now be met with a hefty penalty. The legislation establishes criminal penalties for contractors who knowingly classify full-time employees as independent contractors to avoid state and federal taxes. The bill creates the presumption that construction workers are full-time employees unless proven otherwise and calls for fines of up to \$75,000 for violators. Additionally, contractors that engage in this practice could be ineligible for public contracts. The measure was sponsored by Assemblyman Caraballo, Burzichelli and Senator Sweeney.

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Public Policy Positions & Priorities - Bill Tracking History (cont'd)

SUPPORT

A-1044

This bill was signed into law in December and requires all companies with 100 or more employees to give 60 days notice before initiating a plant closing or mass layoff. Notice would need to be provided to the state Commissioner of Labor and Workforce Development, the local municipality, the employees, and their representatives. Companies that fail to abide by the new directive would be required to provide terminated employees with one week's worth of severance pay for every year they were employed by a company. This punitive severance pay would be in addition to any severance provided by an employer for any other reasons. The law was sponsored by Assemblymen Jeff Van Drew, Gordon Johnson and Joe Egan.

S2247

Recipients of public financing grants made through the NJ Economic Development Authority (NJEDA) under the Business Employment Incentive Program (BEIP) will be required to pay the prevailing wage on public work projects, once this measure is signed into law. The bill, sponsored by Senators Stephen Sweeney, Joseph Coniglio and Assemblymen Doug Fisher, Joe Egan, Jeff Van Drew and Neil Cohen, has passed both houses of the Legislature is awaiting the Governor's signature.

A792

This law intends to enhance the safety of residents who live near natural gas pipelines by increasing the maximum civil penalty for natural gas pipeline safety violations under the state's Underground Facility Protection Act from \$25,000 to \$100,000 for each day of violation. The law also increases the civil penalty from any related series of violations from \$500,000 to \$1,000,000. The law, signed in July, also updates the state's Natural Gas Safety Act -- first enacted in 1952 -- by enhancing the maximum civil penalties for violations from \$2,500 to \$100,000 for each violation for each day of violation and from \$200,000 to \$1 million for any related series of violations. The bill was sponsored by Assemblymen Caraballo and John Burzichelli.

THE MECHANICAL AND ALLIED CRAFTS COUNCIL

Public Policy Positions & Priorities - MAC Officers and Members

President	Thomas Manning	Business Manager, Steamfitters Local 475
Vice President	Louis Baram	Business Manager, IBEW Local 102
Financial Secretary	Joseph Sellers, Jr.	Business Manager, Sheet Metal Workers Local 19
Recording Secretary	Ed Fedorko	Business Manager, Insulators Local 89
Legislative Chairs	North: Neil Boyle, Gary Pfarr	IBEW Local 102
	Central: Fred Dumont	Insulators local 89
	South: Joseph Rispo	Sheet Metal Workers Local 19
Legislative Agent	Matthew McDermott	McDermott Public Affairs

*The following Unions are participating members of the **MAC**:*

International Union of Elevator Constructors

Elevator Constructors Local 5 - Southern New Jersey, Southeastern Pennsylvania, and Northern Delaware

International Brotherhood of Electrical Workers

IBEW Local 102 - Parsippany, NJ

IBEW Local 164 - Jersey City, NJ

IBEW Local 269 - Trenton, NJ

IBEW Local 351 - Folsom, NJ

IBEW Local 400 - Wall, NJ

IBEW Local 456 - New Brunswick, NJ

International Association of Heat and Frost Insulators and Asbestos Workers

Insulators Local 14 - Philadelphia, PA

Insulators Local 32 - Newark, NJ

Insulators Local 42 - Wilmington, DE

Insulators Local 89 - Trenton and Atlantic City, NJ

Sheet Metal Workers International Association

Sheet Metal Workers Local 19 - Southwest New Jersey, Southeastern Pennsylvania, and Delaware

Sheet Metal Workers Local 22 - Union, Morris, Somerset, & Sussex Counties, NJ

Sheet Metal Workers Local 25 - Northern, NJ

Sheet Metal Workers Local 27 - Central and Southern New Jersey including Atlantic, Burlington, Cape May, Cumberland, Hunterdon, Mercer, Middlesex, Monmouth, and Ocean

Sheet Metal Workers Local 137 - New York, NY and New Jersey

United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada

UA Local 9 - Central New Jersey

UA Local 14 - Jersey City, NJ

UA Local 24 - Newark, NJ

UA Local 274 - Jersey City, NJ

UA Local 322 - Southern New Jersey

UA Local 475 - Newark, NJ

UA Local 669 - Whiting, NJ

UA Local 692 - Philadelphia, PA

UA Local 696 - Newark, NJ

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