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CERTIFIED PUBLIC ACCOUNTANTS

Wage Violations Put a Construction Company in the Hole with NJDOL Oct 2019

First-ever Stop-Work Order Deconstructs Operations: Citing wage violations, the NJ Department of Labor shut down a construction site managed by a building restoration and rehabilitation company. The action was the first-ever taken by the department under its recently expanded authority, according to an NJDOL announcement.

Digging Deeper: Three Sons Restoration LLC was cited for allegedly failing to pay the prevailing wage, for unpaid and late wages, and for failure to keep accurate, certified payrolls. The company has appealed, and the matter has been referred to the Office of Administrative Law for a formal hearing.

Here's What Happened: On August 22, in a coordinated sweep that involved local law enforcement, NJDOL investigators issued notices at Maurice Hawk Elementary School in West Windsor, Bayonne Fire House at Engine 6 in Bayonne, and at the company's Union headquarters.

At a September 4 hearing, a determination was made to lift the Stop Work Order at the Bayonne location; but the order at Maurice Hawk Elementary School was affirmed and remained in effect pending the formal hearing.

The state DOL is stepping up its wage-violation efforts, according to Division of Wage and Hour Compliance Assistant Commissioner Joseph Petrecca. "With these new authorities given to us by Governor Murphy and the Legislature, this administration will continue to fight for our workers using all means necessary, especially when it comes to making sure our workers are being paid properly, and the playing field is level for our employers," he said. Under a new law, a company may be assessed civil penalties of \$5,000 per day for each day it conducts business in violation of a Stop Work Order.

Don't get steamrolled by the state: Prevailing-wage, recordkeeping and other issues can be complex. Consult with your legal and accounting advisor to stay on the tight side of the fence. A good advisor will understand your company's unique circumstances and will be aware of the latest developments in state and federal wage-and-hour regulations.

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