



222 West State Street, Trenton, NJ 08608 (609)337-1532

March 3, 2025

To: Chairman Johnson and Members of the Senate Labor Committee

From: Eileen Kean, State Director National Federation of Independent Businesses

MEMORANDUM IN OPPOSITION TO

S-2963 – “New Jersey Private Contractor Registration Act”

NFIB, New Jersey’s leading small business advocacy organization representing over 6,000 small, independent businesses throughout the state opposes S-2963. Our diversified membership includes Main Street business and many small contractors.

NFIB members fall under the definition of a “private contractor” and “worker” as defined in this bill. Under the bill, “private construction work” means all building or work on a building, structure, or improvement of any type, as well as related building or work on a building. Many of our members are exempt from the bill because they are engaged in “home improvement” and regulated by the Department of Consumer Affairs.

Home improvement contractors are individuals and companies involved in repairing, renovating, modernizing, installing, replacing, improving, restoring, painting, constructing, remodeling, moving, or demolishing residential or noncommercial properties. Home improvement contractors include those who work on residential driveways, sidewalks, swimming pools, terraces, patios, additions, landscaping, fences, porches, windows, doors, cabinets, kitchens, bathrooms, garages, finished basements, basement waterproofing, insulation installation, roofing and siding, wall-to-wall carpeting or attached or inlaid floor coverings, and more.

NFIB also has members who are lock smiths, plumbers, HVAC specialists, and electrical contractors, who are also regulated and licensed by the Department of Consumer Affairs but are not exempt under the terms of this bill. Requiring certain NFIB member business owners to

register as a contractor and pay a \$750.00 fee to the Department of Labor and Workforce Development is a new tax on contractors.

The licensing rules of the Department of Consumer Affairs already require documenting all certifications needed to do business as a contractor including registering with the Division of Taxation for a sale and use tax certificate, and proof of insurance. Registering these same documents with the Department of Labor is redundant and unnecessary government red tape.

The Department of Consumer Protection already registers contractors. Mandating our members pay a \$750 tax to the Department of Labor is wrong. We strongly opposed S-2963.