





RECIPROCAL AGREEMENT BETWEEN THE NEW JERSEY DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

AND

THE COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF LABOR AND INDUSTRY

AND

THE DELAWARE DEPARTMENT OF LABOR

WHEREAS, the State of New Jersey is authorized by N.J.S.A 34:11-4.9(f) to enter into reciprocal agreements with other states, to maximize each states' wage and hour enforcement efforts, to share relevant information and to the enforcement and collection in such other states of claims for wages based upon claims previously assigned to Labor Commissioner, State of New Jersey; and

WHEREAS, the State of New Jersey is authorized, upon written request of another state, to share relevant information and to maintain actions in the courts of the State of New Jersey upon claims assigned to it for wages arising in such other state, in the manner and to the extent provided by N.J.S.A 34:11-4.9(f), provided such other state extends a like comity to cases arising in New Jersey; and

WHEREAS, the Secretary of the Pennsylvania Department of Labor and Industry is responsible for administering and enforcing twelve (12) laws of Pennsylvania relating to labor, including the Construction Workplace Misclassification Act (commonly referred to as "Act 72"), Prevailing Wage Act, Child Labor Act, Minimum Wage Act, Wage Payment and Collection Law, Prohibition of Excessive Overtime in Health Care Act (commonly referred to as "Act 102"), Medical Pay Law, Apprenticeship and Training Act, and Equal Pay Law, and the regulations promulgated under each; and

WHEREAS, the Pennsylvania Department of Labor and Industry is authorized to enforce the above-listed Pennsylvania labor laws through administrative processes and summary criminal prosecutions, and is also authorized to refer cases arising under these Pennsylvania labor laws, following agency investigation, for criminal investigation and prosecution by the Office of Attorney General; and

WHEREAS, Pennsylvania has an interest in ensuring that workers receive the wages to which they are entitled and in protecting employers who comply with the law from competitors who seek to gain a market advantage by violating Pennsylvania's labor laws; and

WHEREAS, the Secretary of the Delaware Department of Labor is authorized by 29 *Del. C.* § 8503(5) to make and enter into contracts, agreements or stipulations deemed by the Secretary necessary or desirable in the performance of the functions of the Department; and

WHEREAS, the Delaware Department of Labor is authorized by 19 *Del. C.* § 105(a) to administer all labor laws in the State; and

WHEREAS, given the geographical proximity of the State of New Jersey, the State of Delaware and the Commonwealth of Pennsylvania, employers often carry out their operations in both states and may engage in practices that are violative of the labor laws of each State and which erode the level playing field necessary to allow healthy business competition to flourish; and

WHEREAS, it is deemed by the Labor Commissioner of the State of New Jersey, the Commissioner of the Pennsylvania Department of Labor and Industry, and the Secretary of the Delaware Department of Labor to be desirable to enter into this agreement to exercise and carry out the responsibilities and authority respectively imposed by law upon them;

NOW THEREFORE, the New Jersey Labor Department, the Delaware Department of Labor and the Pennsylvania Department of Labor and Industry (together, the "State Agencies"), in order to effectuate the purposes of the aforementioned statutes and laws of the State of New Jersey and the Commonwealth of Pennsylvania respectively, enter into the following reciprocal memorandum of cooperation ("Reciprocal Memorandum").

I. DATA-SHARING, JOINT INVESTIGATIONS AND REFERRALS.

- 1. The State Agencies agree to share "relevant information" (including but not limited to wage claims, audit reports, investigation reports, payroll records, interview statements, judgments, orders, internal labor department records, employer government filings and submissions, employer registration records, employer position statements, lien documents, wage collection records, and any other wage enforcement records) to the extent permitted by the laws of New Jersey, Delaware and the Commonwealth of Pennsylvania, respectively, for the purpose of enforcing the labor laws of each state. The State Agencies will develop appropriate confidentiality agreements to facilitate such data-sharing, as required by respective State laws.
- 2. The State Agencies will make referrals of potential violations of each other's statutes.
- 3. Where appropriate and to the extent allowable under law, the State Agencies will coordinate their respective enforcement activities and assist each other with enforcement against employers who utilize practices that violate the laws of Pennsylvania, Delaware and New Jersey. Each agency will conduct investigations

in their respective states but will share information regarding these practices to assist the other states in conducting their investigations.

- 4. Where appropriate and to the extent allowable under law, State Agencies will assist in obtaining information about employers who have violated labor laws in one State and are now working in the other State, to alert the second State to the opportunity to exercise proactive monitoring of the employer.
- 5. Where the State Agencies deem it appropriate in the sole discretion of each, they will conduct joint investigations of employers who commit violations in both States.
- 6. State Agencies will leverage the investigative and enforcement work of one State Agency, e.g., the knowledge of the specific employer's practices used to violate the labor laws.
- 7. Where the State Agencies deem it appropriate in the sole discretion of each, they will refer allegations of criminal misconduct arising from investigations of labor laws to the Office of Attorney General for criminal investigation. The respective State's Attorneys General may consider opportunities for joint, parallel or synchronized criminal investigations.

8. Collections.

- a. Whenever the Labor Commissioner or his authorized representative shall certify in writing that he is of the opinion that either:
- (i). The employer or former employer owing such wage claim or judgment has absented or removed itself from the State of New Jersey, and cannot be located in the State of New Jersey, and that said employer or assets belonging to said employer from which such wage claim or judgment can be satisfied is located in the Commonwealth of Pennsylvania or the State of Delaware; or
- (ii). That the employer or former employer owing such wage claim or judgment, although present in the State of New Jersey, has no assets subject to execution therein from which such wage claim or judgment can be satisfied and that such assets belonging to said employer or former employer can be located in the Commonwealth of Pennsylvania or the State of Delaware;

the Secretary of the Pennsylvania Department of Labor and Industry and/or the Secretary of the Delaware Department of Labor may accept assignments of wage claims previously assigned to and of judgments previously obtained by the Labor Commissioner of the State of New Jersey.

- b. Whenever the Secretary of the Pennsylvania Department of Labor and Industry or his authorized representative shall certify in writing that he is of the opinion that either:
- (i). The employer or former employer owing such wage claim or judgment has absented or removed itself from the Commonwealth of Pennsylvania, and cannot be located in the Commonwealth of Pennsylvania, and that said employer or assets belonging to it from which such wage claim or judgment can be satisfied can be located in the State of New Jersey or the State of Delaware; or
- (ii). That the employer or former employer owing such wage claim or judgment, although present in the Commonwealth of Pennsylvania, has no assets subject to execution therein from which such wage claim or judgment can be satisfied and that such assets belonging to said employer or former employer can be located in the State of New Jersey or the State of Delaware;

the Labor Commissioner of the State of New Jersey and/or the Secretary of the Delaware Department of Labor may accept assignments of wage claims previously assigned to and of judgments previously obtained by the Secretary of the Pennsylvania Department of Labor and Industry.

- c. Whenever the Secretary of the Delaware Department of Labor or his authorized representative shall certify in writing that he is of the opinion that either:
- (i). The employer or former employer owing such wage claim or judgment has absented or removed itself from the State of Delaware, and cannot be located in the State of Delaware, and that said employer or assets belonging to it from which such wage claim or judgment can be satisfied can be located in the State of New Jersey or the Commonwealth of Pennsylvania; or
- (ii). That the employer or former employer owing such wage claim or judgment, although present in the State of Delaware, has no assets subject to execution therein from which such wage claim or judgment can be satisfied and that such assets belonging to said employer or former employer can be located in the State of New Jersey or the Commonwealth of Pennsylvania;

the Labor Commissioner of the State of New Jersey and/or the Secretary of the Pennsylvania Department of Labor and Industry may accept assignments of wage claims previously assigned to and of judgments previously obtained by the Secretary of the Delaware Department of Labor.

d. When, in its judgment, the cooperating State Agency believes that a claim is uncollectible in that state or that further action should not be undertaken in such

state, it will notify the assigning State Agency upon which such cooperating state agency shall be relieved of any obligation to undertake further collection efforts.

II. RESPONSIBILITIES AND RIGHTS OF EACH STATE.

- 1. Each State Agency will designate a contact person responsible for coordinating the partnership activities. The agencies will notify each other in the event of the separation or long-term absence of their contact persons.
- 2. Each State Agency shall bear their own costs and utilize their own resources and property necessary to perform their respective duties and obligations set forth in this Reciprocal Memorandum, and further, that the parties shall not establish a joint budget nor shall they mutually, or in any way, contract for, or purchase property to be held or owned jointly by the parties in the performance of this Reciprocal Memorandum.
- 3. By entering into this Reciprocal Memorandum, the State Agencies do not imply an endorsement or promotion by either party of the policies, programs, or services of the other.
- 4. Nothing in this Reciprocal Memorandum is intended to diminish or otherwise affect the authority of either agency to implement its respective statutory functions.
- 5. Nothing in this Reciprocal Memorandum will be interpreted as limiting, superseding, or otherwise affecting the parties' normal operations. This Reciprocal Memorandum also does not limit or restrict the parties from participating in similar activities or arrangement with other entities.

III. GENERAL PROVISIONS.

- 1. This Reciprocal Memorandum is not intended to, and does not create, any contractual rights or obligations with respect to the signatory agencies, or other parties. This Reciprocal Memorandum is not intended to confer any right upon any private person or other third party.
- 2. This Reciprocal Memorandum contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Reciprocal Memorandum shall be deemed to exist or be binding upon the parties.
- 3. Disputes arising under this Reciprocal Memorandum will be resolved informally by discussions between State Agency Points of Contact, or other officials designated by each agency.
- 4. In the event that any portion of this Reciprocal Memorandum shall be held to be invalid by the courts of the State of New Jersey, the State of Delaware or the

- Commonwealth of Pennsylvania, such invalidity shall not affect the remainder of said Reciprocal Memorandum, which shall remain in full force and effect.
- 5. This Reciprocal Memorandum may be modified by mutual written agreement of the parties or their successors in office at any time.
- 6. No signatory state has the authority to and shall not indemnify another state or any other entity. Each state agrees to pay for any loss, liability or expense which arises out of or relates to that state's acts or omissions with respect to its obligations under the Reciprocal Memorandum, where a final determination of liability on the part of that state is established by a court of law or where settlement has been agreed to by that state. This provision shall not be construed to limit any state's right, claims or defenses which arise as a matter of law or pursuant to any other provision of this Reciprocal Memorandum.
- 7. Nothing in this Reciprocal Memorandum is intended to diminish or otherwise limit the sovereign immunity of any signatory state.
- 8. Points of Contact.
 - a. The contact person for this Reciprocal Memorandum for the New Jersey Labor Department shall be: David Biglin, Director, Division of Wage, Hour, and Contract Compliance, New Jersey Department of Labor and Workforce Development, P.O. Box 110, 1 John Fitch Plaza, Trenton, NJ 08625, (609) 341-2849, david.biglin@dol.nj.gov
 - b. The contact person for this Reciprocal Memorandum for the Pennsylvania Department of Labor and Industry shall be: Bryan M. Smolock, Director, Bureau of Labor Law Compliance, Pennsylvania Department of Labor and Industry, 651 Boas Street, Room 1301, Harrisburg, PA 17121, (717) 787-0606, bsmolock@pa.gov
 - c. The contact person for this Reciprocal Memorandum for the Delaware Department of Labor shall be: Fran Chudzik, Administrator, Office of Construction Industry Enforcement, Delaware Department of Labor, Francis.Chudzik@delaware.gov
 - d. Any State Agency may change its designated contact person by providing written notice to the other party.
- 7. This Reciprocal Memorandum shall be effective upon the date of the last signature, and continue in effect for three (3) years afterwards. Either party may withdraw from this Reciprocal Memorandum with sixty (60) days written notice to the other party. This Reciprocal Memorandum may be extended for additional periods by mutual written agreement of the State Agencies.

8. This Reciprocal Memorandum may be executed in counterparts, each of which shall be deemed an original and shall have the full force and effect as an original but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, we have hereunto set our hands hereto on the dates set forth opposite our respective signatures.

Robert Asaro-Angelo, Commissioner,

New Jersey Department of Labor

and Workforce Development

Dated: 07 /08/19

W. Gerard Oleksiak, Secretary,

Commonwealth of Pennsylvania

Department of Labor and Industry

Dated:

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Cerron Cade, Secretary,

State of Delaware

Department of Labor