

New Jersey Waste Removal Association Backgrounder and Policy Brief

New Jersey waste removal and carting companies have invested millions of dollars to carefully abide by all New Jersey public bidding and other laws and environmental regulations. Recently, through a loophole, brokers are seeking to be awarded municipal solid waste contracts without proper equipment, personnel being paid prevailing wages and transparency. This is completely unfair. The loophole needs to be plugged immediately.

The brokers bidding on these contracts have no or de minimis trucks or workers to competently perform these essential services especially in the period of COVID 19, severe weather events which cause severe stress on the entire waste collection and disposal process and prevailing payroll requirements which brokers are skirting.

Moreover, the reason these "subcontractors" are bidding through brokers is because they do not qualify for the performance bonds required by state law. That means that subpar companies with deep financial issues are providing services which jeopardize the health and safety of our neighborhoods.

Senator Gopal has introduced legislation that would require that only DEP licensed A-901 carting corporations to bid and perform these critical municipal contracts. Under the legislation, the company bidding on the contract must be the one to also provide the service.

We have designed a grass roots effort to combat rogue brokers bidding on municipal contracts, asserting public affairs options and legal remedies to assure New Jersey's interests are protected. We will advocate for a law change due on the basis that:

- Brokers having no certifiedⁱ payroll for subcontractor employees;
- No service is being provided to the municipality by the broker;
- Effectuating the safety and quality goals of public biddingⁱⁱ;
- Brokers have the ability to switchⁱⁱⁱ subcontractors at any moment without warning.

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The program will activate statewide businesses and concerned citizens and ensure corporations cannot come from out-of-state and take advantage of the current legality regarding brokers as they pertain to carting and waste removal.

<u>Goals</u>

- a. Ensure that brokers not be permitted to bid on municipal contracts.
- b. Prohibit companies from bidding on contracts unless they are fully insured, and can take accountability for its own assets such as damage, trucks, etc.
- c. Assure that the provider directly has appropriate licensing, equipment and standing with the Department of Environmental Protection.

<u>Please join us by forwarding a letter urging your state legislators and the Murphy</u> <u>Administration to support Senator Gopal's legislation.</u>

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ⁱ Certified payrolls exist under New Jersey law to insure that employees are paid fairly for their services and receive benefits and appropriate overtime when they perform essential services.

ⁱⁱ Solid waste collection trucks weigh between 40,000 and 64,000 tons. Any errant truck can risk serious damage and loss of life.

ⁱⁱⁱ Switching subcontractors is a complete farce. First of all, public bidding is supposed to be a transparent process. Therefore, if you can switch the vendor at any time, you have defeated the entire purpose. Next, such a process defeats accountability in all regards.