

SENATE, No. 3278
STATE OF NEW JERSEY

INTRODUCED APRIL 25, 1983

By Assemblyman HURLEY

(Without Reference)

AN ACT to amend the "Local Public Contracts Law," approved
June 9, 1971 (P. L. 1971, c. 198).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. Section 15 of P. L. 1971, c. 198 (C. 40A:11-15) is amended to
2 read as follows:

3 15. Duration of certain contracts. All purchases, contracts or
4 agreements *for the performing of work or furnishing materials,*
5 *supplies or services* shall be made for a period not to exceed 12
6 consecutive months, except that contracts or agreements may be
7 entered into for longer periods of time as follows:

8 (1) Supplying of

9 (a) Fuel for heating purposes, for any term not exceeding
10 in the aggregate, two years;

11 (b) Fuel or oil for use of airplanes, automobiles, motor
12 vehicles or equipment for any term not exceeding in the aggregate
13 two years;

14 (c) Thermal energy produced by a cogeneration facility, for
15 use for heating or air conditioning or both, for any term not
16 exceeding 20 years, when the contract is approved by the
17 Board of Public Utilities. For the purposes of this paragraph,
18 "cogeneration" means the simultaneous production in one
19 facility of electric power and other forms of useful energy
20 such as heating or process steam.

21 (2) (Deleted by amendment.)

22 (3) The collection and disposal of garbage and refuse, for any
23 term not exceeding in the aggregate, five years;

Matter printed in italics *thus* is new matter.

24 (4) The recycling of solid waste, for any term not exceeding 25
25 years when such contract is in conformance with a solid waste
26 management plan approved pursuant to P. L. 1970, c. 39 (C. 13:1E-1
27 et seq.), and with the approval of the Division of Local Government
28 Services and the Department of Environmental Protection;

29 (5) Data processing service, for any term of not more than three
30 years;

31 (6) Insurance, for any term of not more than three years;

32 (7) Leasing or servicing of automobiles, motor vehicles, elec-
33 tronic communications equipment, machinery and equipment of
34 every nature and kind, for a period not to exceed three years;
35 provided, however, such contracts shall be entered into only subject
36 to and in accordance with the rules and regulations promulgated by
37 the Director of the Division of Local Government Services of the
38 Department of Community Affairs;

39 (8) The supplying of any product or the rendering of any service
40 by a telephone company which is subject to the jurisdiction of the
41 Board of Public Utilities for a term not exceeding five years;

42 (9) Any single project for the construction, reconstruction or
43 rehabilitation of any public building, structure or facility, or any
44 public works projects, including the retention of the services of
45 any architect or engineer in connection therewith, for the length of
46 time authorized and necessary for the completion of the actual
47 construction;

48 (10) The providing of food services to county colleges and county
49 assisted institutions of higher education for any term not exceed-
50 ing three years;

51 (11) On-site inspections undertaken by private agencies pur-
52 suant to the "State Uniform Construction Code Act" (P. L. 1975,
53 c. 217; C. 52:27D-119 et seq.) for any term of not more than three
54 years;

55 (12) The performance of work or services or the furnishing of
56 materials or supplies for the purpose of conserving energy in build-
57 ings owned by, or operations conducted by, the contracting unit,
58 the entire price of which to be established as a percentage of the
59 resultant savings in energy costs, for a term not to exceed 10 years;
60 provided, however, that such contracts shall be entered into only
61 subject to and in accordance with rules and regulations promulgated
62 by the Department of Energy establishing a methodology for com-
63 puting energy cost savings.

64 All multi-year leases and contracts entered into pursuant to this
65 section 15, except contracts for the leasing or servicing of equip-
66 ment supplied by a telephone company which is subject to the

67 jurisdiction of the Board of Public Utilities, contracts for thermal
68 energy authorized pursuant to subsection (1) above, construction
69 contracts authorized pursuant to subsection (9) above, or contracts
70 and agreements for the provision of work or the supplying of
71 equipment to promote energy conservation authorized pursuant
72 to subsection (12) above, shall contain a clause making them subject
73 to the availability and appropriation annually of sufficient funds as
74 may be required to meet the extended obligation, or contain an
75 annual cancellation clause.

76 The Division of Local Government Services shall adopt and
77 promulgate rules and regulations concerning the methods of ac-
78 counting for all contracts that do not coincide with the fiscal year.

1 2. This act shall take effect immediately.

STATEMENT

This bill amends the section (C. 40A:11-15) of the "Local Public Contracts Law" which establishes the permissible duration of those contracts to specify that it applies only to agreements for the performing of work or furnishing materials, supplies or services. It has been questioned whether this section could be applied to leases of real property and thus limit those leases to 12 months. The Legislature clearly intended leases to be governed by the "Local Lands and Buildings Law," P. L. 1971, c. 199 (C. 40A:12-1 et seq.) when that law was enacted contemporaneously with the "Local Public Contracts Laws" and this amendment clarifies that intent.

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53278(1983)

OFFICE OF THE GOVERNOR

RELEASE: IMMEDIATELY

CONTACT: PAUL WOLCOTT

MONDAY, MAY 9, 1983

Governor Thomas H. Kean has signed the following bills:

S-553, sponsored by State Senator John B. Paoella, (R-Bergen), which amends the Local Public Contracts Law to provide that bidders be notified of revisions or additions to bidding advertisements.

S-554, also sponsored by Senator Paoella, which requires that contracts executed under the Local Public Contracts Law be signed by all parties within 21 days, Sundays and holidays excepted, after the bid award has been made. The bill also provides that the contractor is entitled to receive a work authorization within seven days of making a written request.

S-3278, sponsored by State Senator James R. Hurley, (R-Cumberland), which specifies that local and county government purchases made under the Local Public Contracts Law apply to the performing of work or furnishing of materials, supplies or services. It is intended to clarify that the lease, purchase and sale of real property come under the provisions of the Local Lands and Building Law.

A-2053, sponsored by Assemblyman Richard VanWagner, (D-Monmouth), which provides a supplemental appropriation of \$15,000 for a State grant to support the Conference of Blind Veterans in New Jersey. The bill makes a one time appropriation to assist the Blind Veterans of New Jersey in hosting the National Blind Veterans Convention in Atlantic City.

A-3329, sponsored by Assemblyman John P. Doyle, (D-Ocean), which would allow a school district to choose as it sees fit between two veterans who achieve tie scores in an open competitive examination for a position in the school district.