

18A:64-54

LEGISLATIVE HISTORY CHECKLIST

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(State college contracts)

NJSA: 18A:64-54

LAWS OF: 1997 CHAPTER: 292

BILL NO: S1114

SPONSOR(S): Ewing

DATE INTRODUCED: May 9, 1996

COMMITTEE: ASSEMBLY: _____

SENATE: Education

AMENDED DURING PASSAGE: Yes Amendments during passage denoted
First reprint enacted by superscript numbers

DATE OF PASSAGE: ASSEMBLY: December 4, 1997

SENATE: July 25, 1996

DATE OF APPROVAL: January 8, 1998

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: No

SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBP:pp

P.L. 1997, CHAPTER 292, *approved January 8, 1998*
Senate, No. 1114 (*First Reprint*)

1 AN ACT concerning State college contracts and amending P.L.1986,
2 c.43.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 3 of P.L.1986, c.43 (C.18A:64-54) is amended to read
8 as follows:

9 3. a. Any purchase, contract or agreement for the performance of
10 any work or the furnishing or hiring of materials or supplies, the cost
11 or price of which, together with any sums expended for the
12 performance of any work or services in connection with the same
13 project or the furnishing of similar materials or supplies during the
14 same fiscal year, paid with or out of college funds, does not exceed the
15 total sum of ~~[\$7,500.00]~~ ¹~~[\$25,000]~~ \$17,700¹ or, commencing January
16 1, ~~[1985]~~ 1997, the amount determined pursuant to subsection b. of
17 this section, in any fiscal year may be made, negotiated and awarded
18 by a contracting agent, when so authorized by resolution of the board
19 of trustees of the State college without public advertising for bids and
20 bidding therefor.

21 b. Commencing January 1, ~~[1985]~~ 1997 and every two years
22 thereafter, the Governor, in consultation with the Department of the
23 Treasury, shall adjust the threshold amount set forth in subsection a.
24 of this section in direct proportion to the rise or fall of the Consumer
25 Price Index for all urban consumers in the New York and Northeastern
26 New Jersey and the Philadelphia areas, as reported by the United
27 States Department of Labor. The adjustment shall become effective
28 on July 1 of the year in which it is reported.

29 c. Any purchase, contract or agreement made pursuant to this
30 section may be awarded for a period of 12 consecutive months,
31 notwithstanding that the 12-month period does not coincide with the

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SED committee amendments adopted June 24, 1996.

1 fiscal year.

2 (cf: P.L.1994, c.48, s.110)

3

4 2. Section 4 of P.L.1986, c.43 (C.18A:64-55) is amended to read
5 as follows:

6 4. Every contract or agreement for the performance of any work
7 or the furnishing or hiring of any materials or supplies, the cost or the
8 contract price of which is to be paid with or out of college funds, not
9 included within the terms of section 3 of this article, shall be made and
10 awarded only by the State college after public advertising for bids and
11 bidding therefor, except as provided otherwise in this article or
12 specifically by any other law. No work, materials or supplies shall be
13 undertaken, acquired or furnished for a sum exceeding in the
14 aggregate ~~[\$7,500.00]~~ ¹~~[\$25,000]~~ \$17,700¹ or, commencing January
15 1, ~~[1985]~~ 1997, the amount determined pursuant to subsection b. of
16 section 3 of ~~[this act]~~ P.L.1986, c.43 (C.18A:64-54), except by
17 written contract or agreement.

18 (cf: P.L.1986, c.43, s.4)

19

20 3. Section 6 of P.L.1986, c.43 (C.18A:64-57) is amended to read
21 as follows:

22 6. Any purchase, contract, or agreement may be made, negotiated
23 or awarded by a State college without public advertising for bids and
24 bidding therefor, notwithstanding that the cost or contract price will
25 exceed ~~[\$7,500.00]~~ ¹~~[\$25,000]~~ \$17,700¹ or, commencing January 1,
26 ~~[1985]~~ 1997, the amount determined pursuant to subsection b. of
27 section 3 of ~~[this act]~~ P.L.1986, c.43 (C.18A:64-54), when an
28 emergency affecting the health, safety or welfare of occupants of
29 college property requires the immediate delivery of the materials or
30 supplies or the performance of the work, if the purchases, contracts or
31 agreements are awarded or made in the following manner:

32 a. A written requisition for the performance of the work or the
33 furnishing of materials or supplies, certified by the employee in charge
34 of the building, facility or equipment where the emergency occurred,
35 is filed with the contracting agent or his deputy in charge describing
36 the nature of the emergency, the time of its occurrence, and the need
37 for invoking this section. The contracting agent, or his deputy in
38 charge, being satisfied that the emergency exists, is authorized to
39 award a contract for the work, materials or supplies.

40 b. Upon the furnishing of the work, materials or supplies in
41 accordance with the terms of the contract or agreement, the contractor
42 furnishing the work, materials or supplies is entitled to be paid
43 therefor and the State college is obligated for the payment.

44 c. The board of trustees may prescribe rules and procedures to
45 implement the requirements of this section.

46 (cf: P.L.1986, c.43, s.6)

1 4. Section 27 of P.L.1986, c.43 (C.18A:64-78) is amended to read
2 as follows:

3 27. Any college may, by resolution of its board of trustees,
4 authorize the sale in the following manner of its personal property not
5 needed for college purposes:

6 a. If the estimated fair value of the property to be sold
7 exceeds[\$7,500.00] ¹[\$25,000] \$17,700¹ or, commencing January
8 1,[1985] 1997, the amount determined pursuant to subsection b. of
9 section 3 of [this act] P.L.1986, c.43 (C.18A:64-54), in any one sale
10 and the property does not consist of perishable goods, it shall be sold
11 at public sale to the highest bidder.

12 b. Notice of the date, time and place of the public sale, together
13 with a description of the items to be sold and the conditions of sale,
14 shall be published once in a legal newspaper. Sales shall be held not
15 less than seven nor more than 14 days after the publication of the
16 notice thereof.

17 c. Personal property may be sold to the United States, the State of
18 New Jersey, another college or to any body politic by private sale
19 without advertising for bids.

20 d. If no bids are received, the property may then be sold at private
21 sale without further publication or notice thereof but in no event at
22 less than the estimated fair value; or the State college may, if it so
23 elects, reoffer the property at public sale. As used herein, "estimated
24 fair value" means the market value of the property if sold by a willing
25 seller to a willing buyer less the cost to the college of continuing to
26 store or maintain the property.

27 e. A State college may reject all bids if it determines a rejection to
28 be in the public interest. In any case in which the college has rejected
29 all bids, it may readvertise the personal property for a subsequent
30 public sale. If it elects to reject all bids at a second public sale pursuant
31 to this section, it may then sell the personal property without further
32 publication or notice thereof at private sale, but in no event shall the
33 negotiated price at the private sale be less than the amount of the
34 highest bid rejected at the preceding two public sales, nor shall the
35 terms or conditions of sale be changed or amended.

36 f. If the estimated fair value of the property to be sold does not
37 exceed[\$7,500.00] ¹[\$25,000] \$17,700¹ or, commencing January 1,
38 [1985] 1997, the amount determined pursuant to subsection b. of
39 section 3 of [this act] P.L.1986, c.43 (C.18A:64-54), in any one sale
40 or the property consists of perishable goods, it may be sold at private
41 sale without advertising for bids.

42 (cf: P.L.1986, c.43, s.27)

43

44 5. This act shall take effect immediately.

- 1 _____
- 2
- 3 Raises state college bidding threshold to \$17,700.

STATEMENT

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This bill raises the statutory amount of the State college bidding threshold from \$7,500 to \$25,000. The threshold is the amount beyond which public bidding is required. Currently, the threshold is \$11,100, which represents the statutory amount of \$7,500 plus the biennial adjustments which have been made since 1985. Under the bill, the next biennial adjustment would be made on January 1, 1997.

Raises state college bidding threshold to \$25,000.

[Passed Both Houses]

[First Reprint]

SENATE, No. 1114

STATE OF NEW JERSEY

INTRODUCED MAY 9, 1996

By Senator EWING and Assemblyman Rocco

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2 c.43.

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11 or price of which, together with any sums expended for the
12 performance of any work or services in connection with the same
13 project or the furnishing of similar materials or supplies during the
14 same fiscal year, paid with or out of college funds, does not exceed the
15 total sum of **[\$7,500.00]** ¹**[\$25,000]** \$17,700¹ or, commencing
16 January 1, **[1985]** 1997, the amount determined pursuant to subsection
17 b. of this section, in any fiscal year may be made, negotiated and
18 awarded by a contracting agent, when so authorized by resolution of
19 the board of trustees of the State college without public advertising for
20 bids and bidding therefor.

21 b. Commencing January 1, **[1985]** 1997 and every two years
22 thereafter, the Governor, in consultation with the Department of the
23 Treasury, shall adjust the threshold amount set forth in subsection a.
24 of this section in direct proportion to the rise or fall of the Consumer
25 Price Index for all urban consumers in the New York and Northeastern
26 New Jersey and the Philadelphia areas, as reported by the United
27 States Department of Labor. The adjustment shall become effective
28 on July 1 of the year in which it is reported.

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ **Senate SED committee amendments adopted June 24, 1996.**

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2 section may be awarded for a period of 12 consecutive months.
3 notwithstanding that the 12-month period does not coincide with the
4 fiscal year.

5 (cf: P.L.1994, c.48, s.110)

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9 4. Every contract or agreement for the performance of any work
10 or the furnishing or hiring of any materials or supplies, the cost or the
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13 awarded only by the State college after public advertising for bids and
14 bidding therefor, except as provided otherwise in this article or
15 specifically by any other law. No work, materials or supplies shall be
16 undertaken, acquired or furnished for a sum exceeding in the
17 aggregate ~~[\$7,500.00]~~ ~~^~~ ~~[\$25,000]~~ ~~\$17,700~~¹ or, commencing January
18 1, ~~[1985]~~ ~~1997~~, the amount determined pursuant to subsection b. of
19 section 3 of ~~[this act]~~ ~~P.L.1986, c.43 (C.18A:64-54)~~, except by
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21 (cf: P.L.1986, c.43, s.4)

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26 or awarded by a State college without public advertising for bids and
27 bidding therefor, notwithstanding that the cost or contract price will
28 exceed ~~[\$7,500.00]~~ ~~^~~ ~~[\$25,000]~~ ~~\$17,700~~¹ or, commencing January 1,
29 ~~[1985]~~ ~~1997~~, the amount determined pursuant to subsection b. of
30 section 3 of ~~[this act]~~ ~~P.L.1986, c.43 (C.18A:64-54)~~, when an
31 emergency affecting the health, safety or welfare of occupants of
32 college property requires the immediate delivery of the materials or
33 supplies or the performance of the work, if the purchases, contracts or
34 agreements are awarded or made in the following manner:

35 a. A written requisition for the performance of the work or the
36 furnishing of materials or supplies, certified by the employee in charge
37 of the building, facility or equipment where the emergency occurred,
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39 the nature of the emergency, the time of its occurrence, and the need
40 for invoking this section. The contracting agent, or his deputy in
41 charge, being satisfied that the emergency exists, is authorized to
42 award a contract for the work, materials or supplies.

43 b. Upon the furnishing of the work, materials or supplies in
44 accordance with the terms of the contract or agreement, the contractor
45 furnishing the work, materials or supplies is entitled to be paid
46 therefor and the State college is obligated for the payment.

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18 less than seven nor more than 14 days after the publication of the
19 notice thereof.

20 c. Personal property may be sold to the United States, the State of
21 New Jersey, another college or to any body politic ~~by~~ private sale
22 without advertising for bids.

23 d. If no bids are received, the property may then be sold at private
24 sale without further publication or notice thereof but in no event at
25 less than the estimated fair value; or the State college may, if it so
26 elects, reoffer the property at public sale. As used herein, "estimated
27 fair value" means the market value of the property if sold by a willing
28 seller to a willing buyer less the cost to the college of continuing to
29 store or maintain the property.

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31 be in the public interest. In any case in which the college has rejected
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33 public sale. If it elects to reject all bids at a second public sale pursuant
34 to this section, it may then sell the personal property without further
35 publication or notice thereof at private sale, but in no event shall the
36 negotiated price at the private sale be less than the ~~amount~~ of the
37 highest bid rejected at the preceding two public sales, nor shall the
38 terms or conditions of sale be changed or amended.

39 f. If the estimated fair value of the property to be sold does not
40 exceed ~~[\$7,500.00]~~ ¹ ~~[\$25,000]~~ \$17,700¹ or, commencing January 1,
41 ~~[1985]~~ 1997, the amount determined pursuant to subsection b. of
42 section 3 of ~~[this act]~~ P.L.1986, c.43 (C.18A:64-54), in any one sale
43 or the property consists of perishable goods, it may be sold at private
44 sale without advertising for bids.

45 (cf: P.L.1986, c.43, s.27)

1 5. This act shall take effect immediately.

2

3

4

5 Raises state college bidding threshold to \$17,700.

SENATE EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 1114

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 24, 1996

The Senate Education Committee reports favorably Senate Bill No. 1114 with committee amendments.

As amended, this bill raises the statutory amount of the State college bidding threshold from \$7,500 to \$17,700. The threshold is the amount beyond which public bidding is required. Currently, the threshold is \$11,100, which represents the statutory amount of \$7,500 plus the biennial adjustments which have been made since 1985. Under the bill, the next biennial adjustment would be made on January 1, 1997.

The committee adopted an amendment to lower the bidding threshold from \$25,000 to \$17,700 in order to make it consistent with the threshold recently approved for the New Jersey Institute of Technology, which will be effective on July 1, 1996.