

52:27B-67.2 et. al.
LEGISLATIVE HISTORY CHECKLIST
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LAWS OF: 2011 **CHAPTER:** 225

NJSA: 52:27B-67.2 et. al. (Provides updated procedures for disposition of State surplus computers and certain other electronic devices designated for redistribution, sale, or disposal)

BILL NO: A3980 (Substituted for S3159)

SPONSOR(S) Stender and Others

DATE INTRODUCED: May 9, 2011

COMMITTEE: **ASSEMBLY:** State Government

SENATE: State Government, Wagering, Tourism & Historic Preservation

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** December 15, 2011

SENATE: January 9, 2012

DATE OF APPROVAL: January 17, 2012

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (First Reprint enacted)

A3980

SPONSOR'S STATEMENT: (Begins on page 6 of introduced bill)	Yes
COMMITTEE STATEMENT:	ASSEMBLY: Yes
	SENATE: Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT:	Yes
LEGISLATIVE FISCAL ESTIMATE:	No

S3159

SPONSOR'S STATEMENT: (Begins on page 6 of introduced bill)	Yes
COMMITTEE STATEMENT:	ASSEMBLY: No
	SENATE: Yes
FLOOR AMENDMENT STATEMENT:	No
LEGISLATIVE FISCAL ESTIMATE:	No

(continued)

CONDITIONAL VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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REPORTS: Yes

HEARINGS: No

NEWSPAPER ARTICLES: No

974.90 I62 2011

Disposition of excess surplus computer equipment : Department of Treasury, Division of Purchase and Property and Division of Property Management and Construction/ State of New Jersey, Office of the State Comptroller. by New Jersey. Office of the State Comptroller.

[Trenton, N.J.] : New Jersey, Office of the State Comptroller, 2011.

<http://dspace.njstatelib.org:8080/xmlui/handle/10929/24718>

LAW/KR

P.L.2011, CHAPTER 225, *approved January 17, 2012*
Assembly, No. 3980 (*First Reprint*)

1 AN ACT concerning the disposition of certain State computers¹ **[,]**
2 and certain other electronic¹ devices, **[and software,]**¹
3 supplementing P.L.1944, c.112 (C.52:27B-1 et seq.), and
4 amending P.L.1999, c.194.

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

8
9 1. (New section) a. As used in this section:

10 "Computer" means an electronic, magnetic, optical,
11 electrochemical or other high speed data processing device or
12 another similar device capable of executing a computer program,
13 including arithmetic, logic, memory, data storage or input-output
14 operations and includes all computer equipment connected to the
15 device, but shall not include an automated typewriter or typesetter
16 or a portable, hand-held calculator.

17 "Computer equipment" means any equipment or device,
18 including all input, output, processing, storage, **[software,]**¹ or
19 communications facilities, intended to interface with the computer.

20 **["Computer program"** means a series of instructions or
21 statements executable on a computer, which directs the computer
22 system in a manner to produce a desired result.

23 "Computer software" means a set of computer programs, data,
24 procedures, and associated documentation concerned with the
25 operation of a computer system.]¹

26 "Computer system" means a set of interconnected computer
27 equipment intended to operate as a cohesive system.

28 "Data" means information, facts, concepts, or instructions
29 contained in a computer, computer equipment, or computer system.
30 It shall also include, but not be limited to, any alphanumeric,
31 hexadecimal, octal or binary code.

32 "Data base" means a collection of data.

33 "Division" means the Division of Purchase and Property in the
34 Department of the Treasury.

35 "Portable communication device" means a computer that is
36 designed to be personally portable and capable of sending,
37 receiving, storing, reproducing, or displaying communications or
38 information.

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly floor amendments adopted December 5, 2011.

1 “State entity” means any department, institution, commission,
2 board, body, or other agency of the State.

3 b. The director of the division, in consultation with the Chief
4 Technology Officer of the Office of Information Technology, in but
5 not of the Department of the Treasury, shall develop a program
6 regarding the disposition of any computer, computer equipment,
7 ~~‘[computer software,]’~~¹ or portable communication device in the
8 custody and control of any State entity that the entity determines to
9 be surplus, obsolete or no longer suitable for the purpose for which
10 it was intended. The program ~~‘[shall]’~~ may¹ include procedures
11 concerning the redistribution of items among State entities, the
12 distribution of items to local governmental entities, boards of
13 education, nonpublic schools and nonprofit charitable corporations
14 pursuant to section 1 of P.L.1999, c.194 (C.52:27B-67.1), the public
15 purchase of items, and the final disposal of items not distributed or
16 purchased.

17 c. In accordance with regulations promulgated by the director
18 of the division, whenever a State entity possesses any unused
19 computer, computer equipment, ~~‘[computer software,]’~~¹ or portable
20 communication device ‘that includes a hard drive or other data
21 storage device’¹ and is unable to redistribute the item for further use
22 within the entity, that entity shall:

23 (1) declare the item to be surplus, obsolete or no longer suitable
24 for the purpose for which it was intended, subject to further
25 disposition by the division;

26 (2) in the case of any computer, computer equipment, or
27 portable communication device, remove all data ~~‘[and any data
28 base, or render the data and data base unreadable, undecipherable,
29 unusable or otherwise unrecoverable, by means of any process]’~~
30 storage devices and destroy such devices by any means’¹ approved
31 by the Office of Information Technology concerning data security
32 as authorized pursuant to “The Office of Information Technology
33 Reorganization Act,” sections 6 through 16 of P.L.2007, c.56
34 (C.52:18A-224 through C.52:18A-234);

35 (3) notify the division with respect to the entity’s declaration of
36 the item as surplus, obsolete or no longer suitable for the purpose
37 for which it was intended, and include in that notice:

38 (a) ~~‘[an item description, make and model, and quantity if there
39 is more than one of the same item being forwarded;~~

40 (b) an indication whether the item is under warranty, and if so,
41 the expiration date on the warranty;

42 (c) the location of the item, for reference by any other State
43 entity which claims the item through the division’s State-level
44 redistribution procedure set forth in subsection d. of this section;

45 (d)]¹ a certification of the removal ~~‘[or rendering]’~~¹ of all
46 data ~~‘[and any data base unrecoverable]’~~ storage devices’¹ pursuant
47 to paragraph (2) of this subsection, if applicable; and

1 '[(e)] (b)' the name and contact information, including a
2 telephone number, of the director of information technology for that
3 entity, the person named in the certification accompanying the
4 notice pursuant to subparagraph '[(d)] (a)' of this paragraph, or
5 another person with knowledge regarding the entity's declaration of
6 the item as surplus, obsolete or no longer suitable for the purpose
7 for which it was intended.

8 d. (1) The director of the division shall coordinate the
9 redistribution 'or disposition' of any item declared by a State entity
10 to be surplus, obsolete or no longer suitable for the purpose for
11 which it was intended to another State entity, by developing and
12 maintaining a comprehensive list for all State entities consisting of
13 their directors of information technology and relevant contact
14 information.

15 (2) Upon receipt of a notice from a State entity declaring an
16 item to be surplus, obsolete or no longer suitable for the purpose for
17 which it was intended pursuant to paragraph (3) of subsection c. of
18 this section, the director shall '[notify all other State entities,
19 through their directors of information technology, of the availability
20 of each item as noticed to the division. An interested State entity
21 shall respond to the director in writing, within 30 calendar days,
22 with a request for the item, and the director shall at the conclusion
23 of the 30-day period notify the original State entity regarding the
24 request in order to effectuate the redistribution of the item to the
25 requesting State entity. The director shall promulgate regulations
26 concerning the order of redistribution regarding requests by more
27 than one State entity for the same item] determine whether such
28 item is suitable for redistribution to another State entity. Items
29 deemed suitable for redistribution shall be offered with appropriate
30 written notice to all other State entities through their directors of
31 information technology. The director may establish appropriate
32 deadlines for responses from interested State entities, which shall
33 respond to the director in writing with a request for such item. In
34 determining how to fairly and equitably prioritize requests and
35 allocate items that are requested by more than one entity, the
36 director shall have the discretion to direct surplus items to the
37 highest possible use, acting in the best interest of the State'.

38 e. If an item that has been declared by a State entity to be
39 surplus, obsolete or no longer suitable for the purpose for which it
40 was intended 'and has been deemed suitable for redistribution' is
41 not claimed by another State entity pursuant to subsection d. of this
42 section, then the director of the division may declare the item
43 eligible for distribution to local governmental entities, boards of
44 education, nonpublic schools and nonprofit charitable corporations
45 pursuant to section 1 of P.L.1999, c.194 (C.52:27B-67.1).

46 f. The director of the division may, with the State Treasurer's
47 approval '[and after notification in writing to the State Auditor]',

1 take any item that is not otherwise distributed pursuant to the
2 provisions of this section or section 1 of P.L.1999, c.194
3 (C.52:27B-67.1) and dispose thereof, and thereupon the director
4 shall pay the proceeds arising from the item's disposition into the
5 ~~'[general fund]~~ General Fund¹ of the State.

6 g. The State shall not be liable for any damages that may result
7 from the use or operation of any computer, computer equipment,
8 ~~'[computer software,]'~~ or portable communication device
9 distributed or purchased pursuant to this section.

10 h. ~~'[The director of the division shall issue an annual report to~~
11 ~~the Governor and, pursuant to section 2 of P.L.1991, c.164~~
12 ~~(C.52:14-19.1), to the Legislature regarding the disposition program~~
13 ~~established pursuant to this section, which report shall include, but~~
14 ~~not be limited to, information concerning data security and item~~
15 ~~inventory controls employed by the program, as well as an analysis~~
16 ~~of the financial benefits derived from the program by the State and~~
17 ~~local governmental entities, boards of education, nonpublic schools~~
18 ~~and nonprofit charitable corporations]~~ Within 18 months of the
19 effective date of this act, P.L. , c. (pending before the Legislature
20 as this bill), the director of the division shall issue a report to the
21 Governor, and to the Legislature pursuant to section 2 of P.L.1991,
22 c.164 (C.52:14-19.1), regarding the disposition programs and data
23 security measures established pursuant to this act¹.

24
25 2. Section 1 of P.L.1999, c.194 (C.52:27B-67.1) is amended to
26 read as follows:

27 1. a. (1) Whenever [, in the opinion of the Director of the
28 Division of Purchase and Property,] any [computers] computer,
29 computer equipment [or], '[software,]' or portable communication
30 device in the custody and control of any State department,
31 institution, commission, board, body, or other agency of the State is
32 deemed by that State entity to be surplus, obsolete or no longer
33 suitable for the purpose for which it was intended pursuant to
34 subsection c. of section 1 of P.L. , c. (C.) (pending before
35 the Legislature as this bill), and the item is not claimed by another
36 State entity pursuant to subsection d. of that section, the [director]
37 Director of the Division of Purchase and Property in the Department
38 of the Treasury may declare the item available for distribution and
39 make a transfer of the custody and control of [such computers,
40 computer equipment or software] the item to local units, boards of
41 education, nonpublic schools or nonprofit charitable corporations
42 organized pursuant to N.J.S.15A:1-1 et seq. in accordance with this
43 section.

44 (2) To assist in the coordination of any distribution, the director
45 of the division, in consultation with the Division of Property
46 Management and Construction in the Department of the Treasury,

1 shall designate a storage facility to be utilized for holding and
2 processing any item designated for distribution.

3 (a) The storage facility shall utilize reasonable protocols in
4 order to secure any item being stored, including but not limited to,
5 employee and visitor sign-in procedures, required escorts for each
6 visitor, and multilayered supervision of loading and unloading
7 operations.

8 (b) The director of the division shall only accept an item at the
9 storage facility from a sending State department, institution,
10 commission, board, body, or other agency for holding and
11 subsequent transfer to local units, boards of education, nonpublic
12 schools or nonprofit charitable corporations that '[: (i) has been
13 previously declared as available for distribution by the director
14 pursuant to subsection a. of this section; (ii) is scheduled by the
15 director for holding at the facility; and (iii) upon arrival at the
16 facility, is accompanied by a copy of the notice form containing
17 information on the item,] upon arrival at the facility is accompanied
18 by¹ a certification of the removal '【or rendering of all data
19 unrecoverable, if applicable, and a contact person as prepared by
20 the State department, institution, commission, board, body, or other
21 agency of the State] of all data storage devices¹ pursuant to
22 paragraph (3) of subsection c. of section 1 of P.L. , c. (C.)
23 (pending before the Legislature as this bill).

24 b. Whenever such ~~【computers】~~ computer, computer equipment
25 ~~【or, '【software,】' or portable communication device~~ deemed
26 surplus, obsolete or no longer suitable for the purpose for which it
27 was intended cannot be used by local units, boards of education,
28 nonpublic schools or nonprofit charitable corporations, the director
29 may, with the State Treasurer's approval ¹【and after notification in
30 writing to the State Auditor】¹, dispose thereof, and thereupon the
31 director shall pay the proceeds arising from such disposition into
32 the general fund of the State.

33 c. The director shall develop a plan for the notification and
34 distribution to local units, boards of education, nonpublic schools or
35 nonprofit charitable corporations of computers, computer
36 equipment ~~【or, '【software,】' or portable communication devices~~
37 designated as surplus, obsolete or no longer suitable for the purpose
38 for which it was intended by any State department, institution,
39 commission, board, body or other agency of the State. The
40 distribution of any designated item to local units, boards of
41 education, nonpublic schools or nonprofit charitable corporations
42 shall only be permitted through the distribution plan established
43 pursuant to this section.

44 d. The State shall not be liable for any damages that may result
45 from the use or operation of any transferred computer, computer
46 equipment ~~【or, '【software,】' or portable communication device.~~

47 (cf: P.L.1999, c.194, s.1)

1 3. This act shall take effect on the first day of the fourth month
2 next following enactment.

3

4

5

6

7 _____

8 Provides updated procedures for disposition of State surplus
9 computers and certain other electronic devices designated for
redistribution, sale, or disposal.

ASSEMBLY, No. 3980

STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED MAY 9, 2011

Sponsored by:

Assemblywoman LINDA STENDER

District 22 (Middlesex, Somerset and Union)

Assemblyman WAYNE P. DEANGELO

District 14 (Mercer and Middlesex)

Assemblywoman ANNETTE QUIJANO

District 20 (Union)

SYNOPSIS

Provides updated procedures for disposition of State surplus computers, devices, and software designated for redistribution, sale, or disposal.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/17/2011)

1 AN ACT concerning the disposition of certain State computers,
2 devices, and software, supplementing P.L.1944, c.112
3 (C.52:27B-1 et seq.), and amending P.L.1999, c.194.

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

7
8 1. (New section) a. As used in this section:

9 "Computer" means an electronic, magnetic, optical,
10 electrochemical or other high speed data processing device or
11 another similar device capable of executing a computer program,
12 including arithmetic, logic, memory, data storage or input-output
13 operations and includes all computer equipment connected to the
14 device, but shall not include an automated typewriter or typesetter
15 or a portable, hand-held calculator.

16 "Computer equipment" means any equipment or device,
17 including all input, output, processing, storage, software, or
18 communications facilities, intended to interface with the computer.

19 "Computer program" means a series of instructions or statements
20 executable on a computer, which directs the computer system in a
21 manner to produce a desired result.

22 "Computer software" means a set of computer programs, data,
23 procedures, and associated documentation concerned with the
24 operation of a computer system.

25 "Computer system" means a set of interconnected computer
26 equipment intended to operate as a cohesive system.

27 "Data" means information, facts, concepts, or instructions
28 contained in a computer, computer equipment, or computer system.
29 It shall also include, but not be limited to, any alphanumeric,
30 hexadecimal, octal or binary code.

31 "Data base" means a collection of data.

32 "Division" means the Division of Purchase and Property in the
33 Department of the Treasury.

34 "Portable communication device" means a computer that is
35 designed to be personally portable and capable of sending,
36 receiving, storing, reproducing, or displaying communications or
37 information.

38 "State entity" means any department, institution, commission,
39 board, body, or other agency of the State.

40 b. The director of the division, in consultation with the Chief
41 Technology Officer of the Office of Information Technology, in but
42 not of the Department of the Treasury, shall develop a program
43 regarding the disposition of any computer, computer equipment,
44 computer software, or portable communication device in the
45 custody and control of any State entity that the entity determines to

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

Matter underlined thus is new matter.

1 be surplus, obsolete or no longer suitable for the purpose for which
2 it was intended. The program shall include procedures concerning
3 the redistribution of items among State entities, the distribution of
4 items to local governmental entities, boards of education, nonpublic
5 schools and nonprofit charitable corporations pursuant to section 1
6 of P.L.1999, c.194 (C.52:27B-67.1), the public purchase of items,
7 and the final disposal of items not distributed or purchased.

8 c. In accordance with regulations promulgated by the director
9 of the division, whenever a State entity possesses any unused
10 computer, computer equipment, computer software, or portable
11 communication device and is unable to redistribute the item for
12 further use within the entity, that entity shall:

13 (1) declare the item to be surplus, obsolete or no longer suitable
14 for the purpose for which it was intended, subject to further
15 disposition by the division;

16 (2) in the case of any computer, computer equipment, or
17 portable communication device, remove all data and any data base,
18 or render the data and data base unreadable, undecipherable,
19 unusable or otherwise unrecoverable, by means of any process
20 approved by the Office of Information Technology concerning data
21 security as authorized pursuant to "The Office of Information
22 Technology Reorganization Act," sections 6 through 16 of
23 P.L.2007, c.56 (C.52:18A-224 through C.52:18A-234);

24 (3) notify the division with respect to the entity's declaration of
25 the item as surplus, obsolete or no longer suitable for the purpose
26 for which it was intended, and include in that notice:

27 (a) an item description, make and model, and quantity if there is
28 more than one of the same item being forwarded;

29 (b) an indication whether the item is under warranty, and if so,
30 the expiration date on the warranty;

31 (c) the location of the item, for reference by any other State
32 entity which claims the item through the division's State-level
33 redistribution procedure set forth in subsection d. of this section;

34 (d) a certification of the removal or rendering of all data and any
35 data base unrecoverable pursuant to paragraph (2) of this
36 subsection, if applicable; and

37 (e) the name and contact information, including a telephone
38 number, of the director of information technology for that entity,
39 the person named in the certification accompanying the notice
40 pursuant to subparagraph (d) of this paragraph, or another person
41 with knowledge regarding the entity's declaration of the item as
42 surplus, obsolete or no longer suitable for the purpose for which it
43 was intended.

44 d. (1) The director of the division shall coordinate the
45 redistribution of any item declared by a State entity to be surplus,
46 obsolete or no longer suitable for the purpose for which it was
47 intended to another State entity, by developing and maintaining a

1 comprehensive list for all State entities consisting of their directors
2 of information technology and relevant contact information.

3 (2) Upon receipt of a notice from a State entity declaring an
4 item to be surplus, obsolete or no longer suitable for the purpose for
5 which it was intended pursuant to paragraph (3) of subsection c. of
6 this section, the director shall notify all other State entities, through
7 their directors of information technology, of the availability of each
8 item as noticed to the division. An interested State entity shall
9 respond to the director in writing, within 30 calendar days, with a
10 request for the item, and the director shall at the conclusion of the
11 30-day period notify the original State entity regarding the request
12 in order to effectuate the redistribution of the item to the requesting
13 State entity. The director shall promulgate regulations concerning
14 the order of redistribution regarding requests by more than one
15 State entity for the same item.

16 e. If an item that has been declared by a State entity to be
17 surplus, obsolete or no longer suitable for the purpose for which it
18 was intended is not claimed by another State entity pursuant to
19 subsection d. of this section, then the director of the division may
20 declare the item eligible for distribution to local governmental
21 entities, boards of education, nonpublic schools and nonprofit
22 charitable corporations pursuant to section 1 of P.L.1999, c.194
23 (C.52:27B-67.1).

24 f. The director of the division may, with the State Treasurer's
25 approval and after notification in writing to the State Auditor, take
26 any item that is not otherwise distributed pursuant to the provisions
27 of this section or section 1 of P.L.1999, c.194 (C.52:27B-67.1) and
28 dispose thereof, and thereupon the director shall pay the proceeds
29 arising from the item's disposition into the general fund of the
30 State.

31 g. The State shall not be liable for any damages that may result
32 from the use or operation of any computer, computer equipment,
33 computer software, or portable communication device distributed or
34 purchased pursuant to this section.

35 h. The director of the division shall issue an annual report to
36 the Governor and, pursuant to section 2 of P.L.1991, c.164
37 (C.52:14-19.1), to the Legislature regarding the disposition program
38 established pursuant to this section, which report shall include, but
39 not be limited to, information concerning data security and item
40 inventory controls employed by the program, as well as an analysis
41 of the financial benefits derived from the program by the State and
42 local governmental entities, boards of education, nonpublic schools
43 and nonprofit charitable corporations.

44

45 2. Section 1 of P.L.1999, c.194 (C.52:27B-67.1) is amended to
46 read as follows:

47 1. a. (1) Whenever **【**, in the opinion of the Director of the
48 Division of Purchase and Property,**】** any **【computers】** computer,

1 computer equipment **[or]**, software, or portable communication
2 device in the custody and control of any State department,
3 institution, commission, board, body, or other agency of the State is
4 deemed by that State entity to be surplus, obsolete or no longer
5 suitable for the purpose for which it was intended pursuant to
6 subsection c. of section 1 of P.L. , c. (C.) (pending before
7 the Legislature as this bill), and the item is not claimed by another
8 State entity pursuant to subsection d. of that section, the **[director]**
9 Director of the Division of Purchase and Property in the Department
10 of the Treasury may declare the item available for distribution and
11 make a transfer of the custody and control of **[such computers,**
12 computer equipment or software] the item to local units, boards of
13 education, nonpublic schools or nonprofit charitable corporations
14 organized pursuant to N.J.S.15A:1-1 et seq. in accordance with this
15 section.

16 (2) To assist in the coordination of any distribution, the director
17 of the division, in consultation with the Division of Property
18 Management and Construction in the Department of the Treasury,
19 shall designate a storage facility to be utilized for holding and
20 processing any item designated for distribution.

21 (a) The storage facility shall utilize reasonable protocols in
22 order to secure any item being stored, including but not limited to,
23 employee and visitor sign-in procedures, required escorts for each
24 visitor, and multilayered supervision of loading and unloading
25 operations.

26 (b) The director of the division shall only accept an item at the
27 storage facility from a sending State department, institution,
28 commission, board, body, or other agency for holding and
29 subsequent transfer to local units, boards of education, nonpublic
30 schools or nonprofit charitable corporations that: (i) has been
31 previously declared as available for distribution by the director
32 pursuant to subsection a. of this section; (ii) is scheduled by the
33 director for holding at the facility; and (iii) upon arrival at the
34 facility, is accompanied by a copy of the notice form containing
35 information on the item, a certification of the removal or rendering
36 of all data unrecoverable, if applicable, and a contact person as
37 prepared by the State department, institution, commission, board,
38 body, or other agency of the State pursuant to paragraph (3) of
39 subsection c. of section 1 of P.L. , c. (C.) (pending before
40 the Legislature as this bill).

41 b. Whenever such **[computers]** computer, computer equipment
42 **[or]**, software, or portable communication device deemed surplus,
43 obsolete or no longer suitable for the purpose for which it was
44 intended cannot be used by local units, boards of education,
45 nonpublic schools or nonprofit charitable corporations, the director
46 may, with the State Treasurer's approval and after notification in
47 writing to the State Auditor, dispose thereof, and thereupon the

1 director shall pay the proceeds arising from such disposition into
2 the general fund of the State.

3 c. The director shall develop a plan for the notification and
4 distribution to local units, boards of education, nonpublic schools or
5 nonprofit charitable corporations of computers, computer
6 equipment [or], software, or portable communication devices
7 designated as surplus, obsolete or no longer suitable for the purpose
8 for which it was intended by any State department, institution,
9 commission, board, body or other agency of the State. The
10 distribution of any designated item to local units, boards of
11 education, nonpublic schools or nonprofit charitable corporations
12 shall only be permitted through the distribution plan established
13 pursuant to this section.

14 d. The State shall not be liable for any damages that may result
15 from the use or operation of any transferred computer, computer
16 equipment [or], software, or portable communication device.
17 (cf: P.L.1999, c.194, s.1)

18
19 3. This act shall take effect on the first day of the fourth month
20 next following enactment.

21

22

23 STATEMENT

24

25 This bill provides updated procedures for the disposition of State
26 surplus computers, computer equipment, software, and portable
27 communication devices designated for redistribution, sale, or
28 disposal. Its provisions are based largely upon recommendations
29 contained within a report issued by the State Comptroller on March
30 9, 2011 titled Disposition of Excess and Surplus Computer
31 Equipment, and it additionally codifies existing procedures for the
32 disposition of such surplus items located in N.J.A.C. 17:12-9.1 et
33 seq. and the State's Department of the Treasury Circular Letter 00-
34 17-DPP, originated by the Treasury's Division of Purchase and
35 Property.

36 The Director of the Division of Purchase and Property, in
37 consultation with the Chief Technology Officer of the State's Office
38 of Information Technology, shall develop a program regarding the
39 disposition of any computer, computer equipment, computer
40 software, or portable communication device in the custody and
41 control of any State department, institution, commission, board,
42 body, or other agency (hereafter "State entity"). The program shall
43 include procedures concerning the redistribution of items among
44 State entities, the distribution of items to local governmental
45 entities, boards of education, nonpublic schools and nonprofit
46 charitable corporations pursuant to section 1 of P.L.1999, c.194
47 (C.52:27B-67.1), the public purchase of items, and the final
48 disposal of items not distributed or purchased.

1 Under the bill, whenever a State entity possesses any unused
2 item and is unable to redistribute the item within the entity, that
3 entity shall: (1) declare the item to be surplus, obsolete or no longer
4 suitable for the purpose for which it was intended; (2) in the case of
5 any computer, computer equipment, or portable communication
6 device, remove all data and any data base, or render such
7 unrecoverable by means of any process approved by the Office of
8 Information Technology; and (3) notify the Division of Purchase
9 and Property concerning the item's availability, and include an item
10 description, certification of the removal or rendering of all data
11 unrecoverable, if applicable, and a contact person regarding the
12 item. The director of the division shall then coordinate the
13 redistribution of any such item by notifying all other State entities,
14 through a contact list prepared containing the entities' directors of
15 information technology, of the availability of the item. Upon a
16 written request from a State entity for the item, the director shall
17 notify the original State entity regarding the request in order to
18 effectuate the redistribution of the item.

19 If an item made available is not claimed by another State entity,
20 then the director of the division may declare the item eligible for
21 distribution to local governmental entities, boards of education,
22 nonpublic schools and nonprofit charitable corporations pursuant to
23 section 1 of P.L.1999, c.194 (C.52:27B-67.1). In order to assist in
24 the coordination of any such distribution to a non-State entity, the
25 director of the division, in consultation with the Division of
26 Property Management and Construction in the Department of the
27 Treasury, shall designate a storage facility to be utilized for holding
28 and processing any item designated for distribution.

29 The designated storage facility shall utilize reasonable protocols
30 in order to secure any item being stored, including but not limited
31 to, employee and visitor sign-in procedures, required escorts for
32 each visitor, and multilayered supervision of loading and unloading
33 operations. Also, the director of the division shall only accept an
34 item at the storage facility from a sending State entity for holding
35 and subsequent transfer that: (1) has been previously declared as
36 available for distribution by the director; (2) is scheduled by the
37 director for holding at the facility; and (3) upon arrival at the
38 facility, is accompanied by a copy of the above described notice
39 form prepared by the sending State entity which contains an item
40 description, a certification of the removal or rendering of all data
41 unrecoverable, if applicable, and a contact person for the item.

42 Any item that is not otherwise distributed pursuant to the
43 provisions of the bill or section 1 of P.L.1999, c.194 (C.52:27B-
44 67.1) may be taken by the director of the division, with the State
45 Treasurer's approval and after notification in writing to the State
46 Auditor, and disposed thereof, and thereupon the director shall pay
47 the proceeds arising from the item's disposition into the general
48 fund of the State.

A3980 STENDER, DEANGELO

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1 In order to assist in tracking this disposition program, the
2 director of the division shall issue an annual report to the Governor
3 and Legislature, which report shall include, but not be limited to,
4 information concerning data security and item inventory controls
5 employed by the program, as well as an analysis of the financial
6 benefits derived from the program by the State and local
7 governmental entities, boards of education, nonpublic schools and
8 nonprofit charitable corporations.

ASSEMBLY STATE GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3980

STATE OF NEW JERSEY

DATED: MAY 23, 2011

The Assembly State Government Committee reports favorably Assembly, No. 3980.

This bill provides updated procedures for the disposition of State surplus computers, computer equipment, software, and portable communication devices designated for redistribution, sale, or disposal. Its provisions are based largely upon recommendations contained within a report issued by the State Comptroller on March 9, 2011 titled Disposition of Excess and Surplus Computer Equipment, and it additionally codifies existing procedures for the disposition of such surplus items located in N.J.A.C. 17:12-9.1 et seq. and the State's Department of the Treasury Circular Letter 00-17-DPP, originated by the Treasury's Division of Purchase and Property.

The Director of the Division of Purchase and Property, in consultation with the Chief Technology Officer of the State's Office of Information Technology, will develop a program regarding the disposition of any computer, computer equipment, computer software, or portable communication device in the custody and control of any State department, institution, commission, board, body, or other agency. The program will include procedures concerning the redistribution of items among State entities, the distribution of items to local governmental entities, boards of education, nonpublic schools and nonprofit charitable corporations pursuant to current law, the public purchase of items, the final disposal of items not distributed or purchased, and an annual report to the Governor and Legislature.

Under the bill, whenever a State entity possesses any unused item and is unable to redistribute the item within the entity, that entity will: (1) declare the item to be surplus, obsolete or no longer suitable for the purpose for which it was intended; (2) in the case of any computer, computer equipment, or portable communication device, remove all data and any data base, or render such unrecoverable by means of any process approved by the Office of Information Technology; and (3) notify the Division of Purchase and Property concerning the item's availability, and include an item description, certification of the removal or rendering of all data unrecoverable, if applicable, and a contact person regarding the item.

STATEMENT TO
ASSEMBLY, No. 3980

with Assembly Floor Amendments
(Proposed by Assemblywoman STENDER)

ADOPTED: DECEMBER 5, 2011

These amendments:

- remove “computer software” from the items that are to be included in a program for the disposition of computers, computer equipment or portable communication devices in the custody and control of any State entity.
- make permissive, rather than mandatory, the requirement that the program include procedures for the redistribution of items to various State and local entities and the public.
- specify that all data storage devices in any unused computer, computer equipment, or portable communication device must be removed and destroyed by any approved means prior to disposition. The bill currently requires that all data and any data base be removed and rendered unreadable, undecipherable, unusable, or other otherwise unrecoverable.
- remove language that requires a State entity to include in its notice to the Division of Purchase and Property in the Department of the Treasury of the declaration of a computer, computer equipment, or portable communication device as surplus, a description of the item and quantity of items, whether the item is under warranty, and the location of the item.
- change the process to be followed by the division to notify all other State entities of the availability of an item declared surplus to remove specific time frames and a requirement that regulations be promulgated for the order of redistribution of the item if more than one State entity requests the same item. The amendments give the director of the division the discretion to direct the surplus item to the highest possible use acting in the best interest of the State.
- remove the requirement that the director of the division notify the State Auditor in writing prior to the disposition of an item that is not otherwise distributed in accordance with the sections of the bill.
- change the provision of the bill that requires the director of the division to issue an annual report to the Governor and the Legislature to require only one report within 18 months after the bill’s effective date and to require the report to be generally about the disposition program and the data security measures established pursuant to the bill. Currently, the bill

requires the report to also include item inventory controls employed by the disposition program, and an analysis of the financial benefits derived from the program by the State, local governments, and nonprofit entities.

- remove several requirements for the acceptance by the director of the division of an item for storage at a storage facility to require only that the item be accompanied by a certification of removal of all data storage devices.

SENATE STATE GOVERNMENT, WAGERING, TOURISM &
HISTORIC PRESERVATION COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 3980

STATE OF NEW JERSEY

DATED: JANUARY 5, 2012

The Senate State Government, Wagering, Tourism and Historic Preservation Committee reports favorably Assembly Bill No. 3980 (1R).

This bill provides updated procedures for the disposition of State computers, computer equipment, and portable communication devices for redistribution, sale or disposal because they have been deemed to be surplus, obsolete or no longer suitable for the purpose for which there were intended.

Under the bill, the Director of the Division of Purchase and Property, in consultation with the Chief Technology Officer of the State's Office of Information Technology, will develop a program regarding the disposition of any computer, computer equipment or portable communication device in the custody and control of any State department, institution, commission, board, body, or other agency. The program may include procedures concerning the redistribution of items among State entities, the distribution of items to local governmental entities, boards of education, nonpublic schools and nonprofit charitable corporations pursuant to current law, the public purchase of items, and the final disposal of items not distributed or purchased. Within 18 months of enactment of the bill, the director will submit a report to the Governor and to the Legislature on the disposition program and the data security measures established by the bill.

Assembly Bill No. 3980 (1R) is identical to Senate Bill No. 3159.

SENATE, No. 3159

STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED DECEMBER 12, 2011

Sponsored by:

Senator NICHOLAS P. SCUTARI

District 22 (Middlesex, Somerset and Union)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

SYNOPSIS

Provides updated procedures for disposition of State surplus computers and certain other electronic devices designated for redistribution, sale, or disposal.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 1/10/2012)

1 AN ACT concerning the disposition of certain State computers and
2 certain other electronic devices, supplementing P.L.1944, c.112
3 (C.52:27B-1 et seq.), and amending P.L.1999, c.194.

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

7
8 1. (New section) a. As used in this section:

9 "Computer" means an electronic, magnetic, optical,
10 electrochemical or other high speed data processing device or
11 another similar device capable of executing a computer program,
12 including arithmetic, logic, memory, data storage or input-output
13 operations and includes all computer equipment connected to the
14 device, but shall not include an automated typewriter or typesetter
15 or a portable, hand-held calculator.

16 "Computer equipment" means any equipment or device,
17 including all input, output, processing, storage, or communications
18 facilities, intended to interface with the computer.

19 "Computer system" means a set of interconnected computer
20 equipment intended to operate as a cohesive system.

21 "Data" means information, facts, concepts, or instructions
22 contained in a computer, computer equipment, or computer system.
23 It shall also include, but not be limited to, any alphanumeric,
24 hexadecimal, octal or binary code.

25 "Data base" means a collection of data.

26 "Division" means the Division of Purchase and Property in the
27 Department of the Treasury.

28 "Portable communication device" means a computer that is
29 designed to be personally portable and capable of sending,
30 receiving, storing, reproducing, or displaying communications or
31 information.

32 "State entity" means any department, institution, commission,
33 board, body, or other agency of the State.

34 b. The director of the division, in consultation with the Chief
35 Technology Officer of the Office of Information Technology, in but
36 not of the Department of the Treasury, shall develop a program
37 regarding the disposition of any computer, computer equipment, or
38 portable communication device in the custody and control of any
39 State entity that the entity determines to be surplus, obsolete or no
40 longer suitable for the purpose for which it was intended. The
41 program may include procedures concerning the redistribution of
42 items among State entities, the distribution of items to local
43 governmental entities, boards of education, nonpublic schools and
44 nonprofit charitable corporations pursuant to section 1 of P.L.1999,

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

Matter underlined thus is new matter.

1 c.194 (C.52:27B-67.1), the public purchase of items, and the final
2 disposal of items not distributed or purchased.

3 c. In accordance with regulations promulgated by the director
4 of the division, whenever a State entity possesses any unused
5 computer, computer equipment, or portable communication device
6 that includes a hard drive or other data storage device and is unable
7 to redistribute the item for further use within the entity, that entity
8 shall:

9 (1) declare the item to be surplus, obsolete or no longer suitable
10 for the purpose for which it was intended, subject to further
11 disposition by the division;

12 (2) in the case of any computer, computer equipment, or
13 portable communication device, remove all data storage devices and
14 destroy such devices by any means approved by the Office of
15 Information Technology concerning data security as authorized
16 pursuant to “The Office of Information Technology Reorganization
17 Act,” sections 6 through 16 of P.L.2007, c.56 (C.52:18A-224
18 through C.52:18A-234);

19 (3) notify the division with respect to the entity’s declaration of
20 the item as surplus, obsolete or no longer suitable for the purpose
21 for which it was intended, and include in that notice:

22 (a) a certification of the removal of all data storage devices
23 pursuant to paragraph (2) of this subsection, if applicable; and

24 (b) the name and contact information, including a telephone
25 number, of the director of information technology for that entity,
26 the person named in the certification accompanying the notice
27 pursuant to subparagraph (a) of this paragraph, or another person
28 with knowledge regarding the entity’s declaration of the item as
29 surplus, obsolete or no longer suitable for the purpose for which it
30 was intended.

31 d. (1) The director of the division shall coordinate the
32 redistribution or disposition of any item declared by a State entity to
33 be surplus, obsolete or no longer suitable for the purpose for which
34 it was intended to another State entity, by developing and
35 maintaining a comprehensive list for all State entities consisting of
36 their directors of information technology and relevant contact
37 information.

38 (2) Upon receipt of a notice from a State entity declaring an
39 item to be surplus, obsolete or no longer suitable for the purpose for
40 which it was intended pursuant to paragraph (3) of subsection c. of
41 this section, the director shall determine whether such item is
42 suitable for redistribution to another State entity. Items deemed
43 suitable for redistribution shall be offered with appropriate written
44 notice to all other State entities through their directors of
45 information technology. The director may establish appropriate
46 deadlines for responses from interested State entities, which shall
47 respond to the director in writing with a request for such item. In
48 determining how to fairly and equitably prioritize requests and
49 allocate items that are requested by more than one entity, the

1 director shall have the discretion to direct surplus items to the
2 highest possible use, acting in the best interest of the State.

3 e. If an item that has been declared by a State entity to be
4 surplus, obsolete or no longer suitable for the purpose for which it
5 was intended and has been deemed suitable for redistribution is not
6 claimed by another State entity pursuant to subsection d. of this
7 section, then the director of the division may declare the item
8 eligible for distribution to local governmental entities, boards of
9 education, nonpublic schools and nonprofit charitable corporations
10 pursuant to section 1 of P.L.1999, c.194 (C.52:27B-67.1).

11 f. The director of the division may, with the State Treasurer's
12 approval, take any item that is not otherwise distributed pursuant to
13 the provisions of this section or section 1 of P.L.1999, c.194
14 (C.52:27B-67.1) and dispose thereof, and thereupon the director
15 shall pay the proceeds arising from the item's disposition into the
16 General Fund of the State.

17 g. The State shall not be liable for any damages that may result
18 from the use or operation of any computer, computer equipment, or
19 portable communication device distributed or purchased pursuant to
20 this section.

21 h. Within 18 months of the effective date of this act, P.L. , c.
22 (pending before the Legislature as this bill), the director of the
23 division shall issue a report to the Governor, and to the Legislature
24 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), regarding
25 the disposition programs and data security measures established
26 pursuant to this act.

27

28 2. Section 1 of P.L.1999, c.194 (C.52:27B-67.1) is amended to
29 read as follows:

30 1. a. (1) Whenever [, in the opinion of the Director of the
31 Division of Purchase and Property,] any [computers] computer,
32 computer equipment [or software] , or portable communication
33 device in the custody and control of any State department,
34 institution, commission, board, body, or other agency of the State is
35 deemed by that State entity to be surplus, obsolete or no longer
36 suitable for the purpose for which it was intended pursuant to
37 subsection c. of section 1 of P.L. , c. (C.) (pending before
38 the Legislature as this bill), and the item is not claimed by another
39 State entity pursuant to subsection d. of that section, the [director]
40 Director of the Division of Purchase and Property in the Department
41 of the Treasury may declare the item available for distribution and
42 make a transfer of the custody and control of [such computers,
43 computer equipment or software] the item to local units, boards of
44 education, nonpublic schools or nonprofit charitable corporations
45 organized pursuant to N.J.S.15A:1-1 et seq. in accordance with this
46 section.

47 (2) To assist in the coordination of any distribution, the director
48 of the division, in consultation with the Division of Property

1 Management and Construction in the Department of the Treasury,
2 shall designate a storage facility to be utilized for holding and
3 processing any item designated for distribution.

4 (a) The storage facility shall utilize reasonable protocols in
5 order to secure any item being stored, including but not limited to,
6 employee and visitor sign-in procedures, required escorts for each
7 visitor, and multilayered supervision of loading and unloading
8 operations.

9 (b) The director of the division shall only accept an item at the
10 storage facility from a sending State department, institution,
11 commission, board, body, or other agency for holding and
12 subsequent transfer to local units, boards of education, nonpublic
13 schools or nonprofit charitable corporations that upon arrival at the
14 facility is accompanied by a certification of the removal of all data
15 storage devices pursuant to paragraph (3) of subsection c. of section
16 1 of P.L. , c. (C.) (pending before the Legislature as this
17 bill).

18 b. Whenever such **computers** computer, computer equipment
19 **or software** , or portable communication device deemed surplus,
20 obsolete or no longer suitable for the purpose for which it was
21 intended cannot be used by local units, boards of education,
22 nonpublic schools or nonprofit charitable corporations, the director
23 may, with the State Treasurer's approval **and after notification in**
24 **writing to the State Auditor**, dispose thereof, and thereupon the
25 director shall pay the proceeds arising from such disposition into
26 the general fund of the State.

27 c. The director shall develop a plan for the notification and
28 distribution to local units, boards of education, nonpublic schools or
29 nonprofit charitable corporations of computers, computer
30 equipment **or software** , or portable communication devices
31 designated as surplus, obsolete or no longer suitable for the purpose
32 for which it was intended by any State department, institution,
33 commission, board, body or other agency of the State. The
34 distribution of any designated item to local units, boards of
35 education, nonpublic schools or nonprofit charitable corporations
36 shall only be permitted through the distribution plan established
37 pursuant to this section.

38 d. The State shall not be liable for any damages that may result
39 from the use or operation of any transferred computer, computer
40 equipment **or software** , or portable communication device.

41 (cf: P.L.1999, c.194, s.1)

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43 3. This act shall take effect on the first day of the fourth month
44 next following enactment.

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STATEMENT

This bill provides updated procedures for the disposition of State computers, computer equipment, and portable communication devices for redistribution, sale or disposal because they have been deemed to be surplus, obsolete or no longer suitable for the purpose for which there were intended.

Under the bill, the Director of the Division of Purchase and Property, in consultation with the Chief Technology Officer of the State's Office of Information Technology, will develop a program regarding the disposition of any computer, computer equipment or portable communication device in the custody and control of any State department, institution, commission, board, body, or other agency. The program may include procedures concerning the redistribution of items among State entities, the distribution of items to local governmental entities, boards of education, nonpublic schools and nonprofit charitable corporations pursuant to current law, the public purchase of items, and the final disposal of items not distributed or purchased. Within 18 months of enactment of the bill, the director will submit a report to the Governor and Legislature on the disposition program and the data security measures established by the bill's provisions.

SENATE STATE GOVERNMENT, WAGERING, TOURISM &
HISTORIC PRESERVATION COMMITTEE

STATEMENT TO

SENATE, No. 3159

STATE OF NEW JERSEY

DATED: JANUARY 5, 2012

The Senate State Government, Wagering, Tourism and Historic Preservation Committee reports favorably Senate Bill No. 3159.

This bill provides updated procedures for the disposition of State computers, computer equipment, and portable communication devices for redistribution, sale or disposal because they have been deemed to be surplus, obsolete or no longer suitable for the purpose for which there were intended.

Under the bill, the Director of the Division of Purchase and Property, in consultation with the Chief Technology Officer of the State's Office of Information Technology, will develop a program regarding the disposition of any computer, computer equipment or portable communication device in the custody and control of any State department, institution, commission, board, body, or other agency. The program may include procedures concerning the redistribution of items among State entities, the distribution of items to local governmental entities, boards of education, nonpublic schools and nonprofit charitable corporations pursuant to current law, the public purchase of items, and the final disposal of items not distributed or purchased. Within 18 months of enactment of the bill, the director will submit a report to the Governor and to the Legislature on the disposition program and the data security measures established by the bill.

Senate Bill No. 3159 is identical to Assembly Bill No. 3980 (1R).