18A:64-85 LEGISLATIVE HISTORY CHECKLIST

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- LAWS OF: 2012 CHAPTER: 10
- **NJSA:** 18A:64-85 (Extends for 18 months application submission deadline to EDA for review and approval of certain construction projects involving public institutions of higher education)
- BILL NO: S1027 (Substituted for A2271)
- SPONSOR(S) Lesniak and others
- DATE INTRODUCED: January 17, 2012
- COMMITTEE: ASSEMBLY: ---
 - SENATE: Economic Growth
- AMENDED DURING PASSAGE: No
- DATE OF PASSAGE:ASSEMBLY:February 16, 2012SENATE:February 13, 2012
- DATE OF APPROVAL: May 2, 2012

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Introduced version of bill enacted)

S1027	SPONSOR'S STATEMENT: (Begins on page 5 of introduced bill)		
	COMMITTEE STATEMENT:	ASSEMBLY:	No
		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:		No
	LEGISLATIVE FISCAL ESTIMATE:		No
A2271	SPONSOR'S STATEMENT: (Begins on page 5 of introduced bill)		
	COMMITTEE STATEMENT:	ASSEMBLY:	Yes
		SENATE:	No
	FLOOR AMENDMENT STATEMENT:		No
	LEGISLATIVE FISCAL ESTIMATE:		No

(continued)

	VETO MESSAGE:	No
	GOVERNOR'S PRESS RELEASE ON SIGNING:	No
FOLLO	WING WERE PRINTED: To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <u>mailto:refdesk@njstatelil</u>	<u>b.org</u>
	REPORTS:	No
	HEARINGS:	No
	NEWSPAPER ARTICLES:	No

LAW/RWH

P.L.2012, CHAPTER 10, *approved May 2, 2012* Senate, No. 1027

AN ACT concerning agreements of State and county colleges
 involving certain projects and amending P.L.2009, c.90.

3 4

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

5 6

7 1. Section 43 of P.L.2009, c.90 (C.18A:64-85) is amended to8 read as follows:

9 43. a. A State college or county college may enter into a contract 10 with a private entity, subject to subsection f. of this section, to be 11 referred to as a public-private partnership agreement, that permits 12 the private entity to assume full financial and administrative 13 responsibility for the on-campus construction, reconstruction, 14 repair, alteration, improvement or extension of a building, structure, 15 or facility of, or for the benefit of, the institution, provided that the 16 project is financed in whole by the private entity and that the State 17 or institution of higher education, as applicable, retains full 18 ownership of the land upon which the project is completed.

19 b. (1) A private entity that assumes financial and administrative 20 responsibility for a project pursuant to subsection a. of this section 21 shall not be subject to the procurement and contracting 22 requirements of all statutes applicable to the institution of higher 23 education at which the project is completed, including, but not 24 limited to, the "State College Contracts Law," P.L.1986, c.43 25 (C.18A:64-52 et seq.), and the "County College Contracts Law," 26 P.L.1982, c.189 (C.18A:64A-25.1 et seq.). For the purposes of 27 facilitating the financing of a project pursuant to subsection a. of 28 this section, a public entity may become the owner or lessee of the 29 project or the lessee of the land, or both, may issue indebtedness in 30 accordance with the public entity's enabling legislation and, 31 notwithstanding any provision of law to the contrary, shall be 32 empowered to enter into contracts with a private entity and its 33 affiliates without being subject to the procurement and contracting 34 requirements of any statute applicable to the public entity provided 35 that the private entity has been selected by the institution of higher 36 education pursuant to a solicitation of proposals or qualifications. 37 For the purposes of this section, a public entity shall include the 38 New Jersey Economic Development Authority, and any project 39 undertaken pursuant to subsection a. of this section of which the 40 authority becomes the owner or lessee, or which is situated on land 41 of which the authority becomes the lessee, shall be deemed a

Matter underlined <u>thus</u> is new matter.

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

1 "project" under the "New Jersey Economic Development Authority

2 Act," P.L.1974, c.80 (C.34:1B-1 et seq.).

3 (2) As the carrying out of any project described pursuant to this 4 section constitutes the performance of an essential public function, 5 all projects predominantly used in furtherance of the educational 6 purposes of the institution undertaken pursuant to this section, 7 provided it is owned by or leased to a public entity, non-profit 8 business entity, foreign or domestic, or a business entity wholly 9 owned by such non-profit business entity, shall at all times be 10 exempt from property taxation and special assessments of the State, 11 or any municipality, or other political subdivision of the State and, 12 notwithstanding the provisions of section 15 of P.L.1974, c.80 13 (C.34:1B-15) or section 2 of P.L.1977, c.272 (C.54:4-2.2b) or any 14 other section of law to the contrary, shall not be required to make 15 payments in lieu of taxes. The land upon which the project is 16 located shall also at all times be exempt from property taxation. 17 Further, the project and land upon which the project is located shall 18 not be subject to the provisions of section 1 of P.L.1984, c.176 19 (C.54:4-1.10) regarding the tax liability of private parties 20 conducting for profit activities on tax exempt land, or section 1 of 21 P.L.1949, c.177 (C.54:4-2.3) regarding the taxation of leasehold 22 interests in exempt property that are held by nonexempt parties.

23 Each worker employed in the construction, rehabilitation, or c. 24 building maintenance services of facilities by a private entity that 25 has entered into a public-private partnership agreement with a State 26 or county college pursuant to subsection a. of this section shall be 27 paid not less than the prevailing wage rate for the worker's craft or 28 trade as determined by the Commissioner of Labor and Workforce 29 Development pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.) 30 and P.L.2005, c.379 (C.34:11-56.58 et seq.).

31 (1) All construction projects under a public-private d. 32 partnership agreement entered into pursuant to this section shall 33 contain a project labor agreement. The project labor agreement 34 shall be subject to the provisions of P.L.2002, c.44 (C.52:38-1 et 35 seq.), and shall be in a manner that to the greatest extent possible 36 enhances employment opportunities for individuals residing in the 37 county of the project's location. Further, the general contractor, 38 construction manager, design-build team, or subcontractor for a 39 construction project proposed in accordance with this paragraph 40 shall be registered pursuant to the provisions of P.L.1999, c.238 41 (C.34:11-56.48 et seq.), and shall be classified by the Division of 42 Property Management and Construction to perform work on a 43 public-private partnership higher education project. All 44 construction projects proposed in accordance with this paragraph 45 shall be submitted to the New Jersey Economic Development 46 Authority for its review and approval and, when practicable, are 47 encouraged to adhere to the Leadership in Energy and

Environmental Design Green Building Rating System as adopted by
 the United States Green Building Council.

3 (2) Where no public fund has been established for the financing 4 of a public improvement, the chief financial officer of the public 5 owner shall require the private entity for whom the public 6 improvement is being made to post, or cause to be posted, a bond 7 guaranteeing prompt payment of moneys due to the contractor, his 8 or her subcontractors and to all persons furnishing labor or 9 materials to the contractor or his or her subcontractors in the 10 prosecution of the work on the public improvement.

e. A general contractor, construction manager, design-build team, or subcontractor shall be registered pursuant to the provisions of P.L.1999, c.238 (C.34:11-56.48 et seq.), and shall be classified by the Division of Property Management and Construction to perform work on a public-private partnership higher education project.

17 f. (1) On or before [February] August 1, [2012] 2013, all 18 projects proposed in accordance with this section shall be submitted 19 to the New Jersey Economic Development Authority for its review 20 and approval. The projects are encouraged, when practicable, to 21 adhere to the green building manual prepared by the Commissioner 22 of Community Affairs pursuant to section 1 of P.L.2007, c.132 23 (C.52:27D-130.6). Any application that is deemed to be incomplete on [February] August 2, [2012] 2013 shall not be eligible for 24 25 consideration.

26 (2) (a) In order for an application to be complete and considered 27 by the authority it shall include, but not be limited to: (i) a public-28 private partnership agreement between the State or county college 29 and the private developer; (ii) a full description of the project; (iii) 30 the estimated costs and financial documentation for the project; (iv) 31 a timetable for completion of the project extending no more than 32 five years after consideration and approval; and (v) any other 33 requirements that the authority deems appropriate or necessary.

34 (b) As part of the estimated costs and financial documentation 35 for the project the application shall contain a long-range maintenance plan and shall specify the expenditures that qualify as 36 37 an appropriate investment in maintenance. This long-range 38 maintenance plan shall be approved by the authority pursuant to 39 regulations promulgated by the authority that reflect national 40 building maintenance standards and other appropriate building 41 maintenance benchmarks. All contracts to implement a long-range 42 maintenance plan pursuant to this paragraph shall contain a project labor agreement. The project labor agreement shall be subject to 43 44 the provisions of P.L.2002, c.44 (C.52:38-1 et seq.), and shall be in 45 a manner that to the greatest extent possible enhances employment 46 opportunities for individuals residing in the county of the project's 47 location.

1 (3) The authority shall review all completed applications, and 2 request additional information as is needed to make a complete 3 assessment of the project. No project shall be undertaken until final 4 approval has been granted by the authority; provided, however, that 5 the authority shall retain the right to revoke approval if it 6 determines that the project has deviated from the plan submitted 7 pursuant to paragraph (2) of this subsection.

8 (4) The authority may promulgate any rules and regulations 9 necessary to implement this subsection, including provisions for 10 fees to cover administrative costs.

11 Where no public fund has been established for the financing of a 12 public improvement, the chief financial officer of the public owner shall require the private entity for whom the public improvement is 13 14 being made to post, or cause to be posted, a bond guaranteeing 15 prompt payment of moneys due to the contractor, his or her 16 subcontractors and to all persons furnishing labor or materials to the 17 contractor or his or her subcontractors in the prosecution of the 18 work on the public improvement.

19 g. The provisions of P.L.2009, c.136 (C.52:18-42 et al.) shall
20 not apply to any project carried out pursuant to this section.
21 (af: P.L.2010, a 10, a 1)

2. This act shall take effect immediately.

21 (cf: P.L.2010, c.10, s.1)

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STATEMENT

This bill changes current law by extending the application 28 29 deadline for 18 months, from February 1, 2012 to August 1, 2013, 30 for the submission of certain project applications to the New Jersey 31 Economic Development Authority ("authority") for the authority's 32 review and approval. Specifically, the bill would provide an 33 additional 18 months for a public institution of higher education to 34 submit to the authority for review and approval proposed projects in 35 which a private entity is to assume the full financial and administrative responsibility for the on-campus construction, 36 37 reconstruction, repair, alteration, improvement, or extension of a 38 building, structure, or facility of, or for the benefit of, the 39 institution, provided that the project is financed in whole by the 40 private entity and that the institution retains full ownership of the 41 land upon which the project is completed.

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46 Extends for 18 months application submission deadline to EDA

47 for review and approval of certain construction projects involving48 public institutions of higher education.

SENATE, No. 1027 STATE OF NEW JERSEY 215th LEGISLATURE

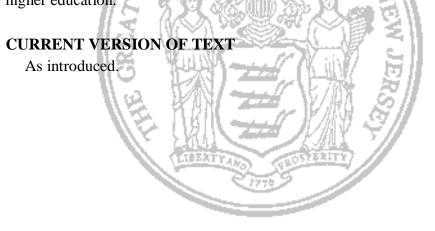
INTRODUCED JANUARY 17, 2012

Sponsored by: Senator RAYMOND J. LESNIAK District 20 (Union) Senator STEPHEN M. SWEENEY District 3 (Cumberland, Gloucester and Salem) Assemblywoman PAMELA R. LAMPITT District 6 (Burlington and Camden) Assemblyman ALBERT COUTINHO District 29 (Essex) Assemblyman TROY SINGLETON District 7 (Burlington) Assemblyman HERB CONAWAY, JR. District 7 (Burlington) Assemblyman PAUL D. MORIARTY District 4 (Camden and Gloucester)

Co-Sponsored by: Senators Kyrillos, Oroho, Assemblymen Diegnan and Coughlin

SYNOPSIS

Extends for 18 months application submission deadline to EDA for review and approval of certain construction projects involving public institutions of higher education.



(Sponsorship Updated As Of: 2/17/2012)

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44 (2) As the carrying out of any project described pursuant to this45 section constitutes the performance of an essential public function,

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12 f. (1) On or before [February] <u>August</u> 1, [2012] <u>2013</u>, all 13 projects proposed in accordance with this section shall be submitted 14 to the New Jersey Economic Development Authority for its review 15 and approval. The projects are encouraged, when practicable, to 16 adhere to the green building manual prepared by the Commissioner 17 of Community Affairs pursuant to section 1 of P.L.2007, c.132 18 (C.52:27D-130.6). Any application that is deemed to be incomplete 19 on [February] August 2, [2012] 2013 shall not be eligible for 20 consideration.

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29 (b) As part of the estimated costs and financial documentation 30 for the project the application shall contain a long-range 31 maintenance plan and shall specify the expenditures that qualify as 32 an appropriate investment in maintenance. This long-range 33 maintenance plan shall be approved by the authority pursuant to 34 regulations promulgated by the authority that reflect national 35 building maintenance standards and other appropriate building 36 maintenance benchmarks. All contracts to implement a long-range 37 maintenance plan pursuant to this paragraph shall contain a project 38 labor agreement. The project labor agreement shall be subject to 39 the provisions of P.L.2002, c.44 (C.52:38-1 et seq.), and shall be in a manner that to the greatest extent possible enhances employment 40 41 opportunities for individuals residing in the county of the project's 42 location.

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STATEMENT TO

SENATE, No. 1027

STATE OF NEW JERSEY

DATED: JANUARY 23, 2012

The Senate Economic Growth Committee reports favorably Senate Bill, No. 1027.

This bill changes current law by extending the application deadline for 18 months, from February 1, 2012 to August 1, 2013, for the submission of certain project applications to the New Jersey Economic Development Authority ("authority"). Specifically, the bill would provide an additional 18 months for a public institution of higher education to submit to the authority for review and approval proposed projects in which a private entity is to assume the full financial and administrative responsibility for the on-campus construction, reconstruction, repair, alteration, improvement, or extension of a building, structure, or facility of, or for the benefit of, the institution, provided that the project is financed in whole by the private entity and that the institution retains full ownership of the land upon which the project is completed.

ASSEMBLY, No. 2271 STATE OF NEW JERSEY 215th LEGISLATURE

INTRODUCED FEBRUARY 2, 2012

Sponsored by: Assemblywoman PAMELA R. LAMPITT District 6 (Burlington and Camden) Assemblyman ALBERT COUTINHO District 29 (Essex) Assemblyman TROY SINGLETON District 7 (Burlington) Assemblyman HERB CONAWAY, JR. District 7 (Burlington) Assemblyman PAUL D. MORIARTY District 4 (Camden and Gloucester)

Co-Sponsored by: Assemblymen Diegnan and Coughlin

SYNOPSIS

Extends for 18 months application submission deadline to EDA for review and approval of certain construction projects involving public institutions of higher education.



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A2271 LAMPITT, COUTINHO

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12 f. (1) On or before [February] <u>August</u> 1, [2012] <u>2013</u>, all 13 projects proposed in accordance with this section shall be submitted 14 to the New Jersey Economic Development Authority for its review 15 and approval. The projects are encouraged, when practicable, to 16 adhere to the green building manual prepared by the Commissioner 17 of Community Affairs pursuant to section 1 of P.L.2007, c.132 18 (C.52:27D-130.6). Any application that is deemed to be incomplete 19 on [February] August 2, [2012] 2013 shall not be eligible for 20 consideration.

21 (2) (a) In order for an application to be complete and considered 22 by the authority it shall include, but not be limited to: (i) a public-23 private partnership agreement between the State or county college 24 and the private developer; (ii) a full description of the project; (iii) 25 the estimated costs and financial documentation for the project; (iv) 26 a timetable for completion of the project extending no more than 27 five years after consideration and approval; and (v) any other requirements that the authority deems appropriate or necessary. 28

29 (b) As part of the estimated costs and financial documentation 30 for the project the application shall contain a long-range 31 maintenance plan and shall specify the expenditures that qualify as 32 an appropriate investment in maintenance. This long-range 33 maintenance plan shall be approved by the authority pursuant to 34 regulations promulgated by the authority that reflect national 35 building maintenance standards and other appropriate building 36 maintenance benchmarks. All contracts to implement a long-range 37 maintenance plan pursuant to this paragraph shall contain a project 38 labor agreement. The project labor agreement shall be subject to 39 the provisions of P.L.2002, c.44 (C.52:38-1 et seq.), and shall be in a manner that to the greatest extent possible enhances employment 40 41 opportunities for individuals residing in the county of the project's 42 location.

(3) The authority shall review all completed applications, and
request additional information as is needed to make a complete
assessment of the project. No project shall be undertaken until final
approval has been granted by the authority; provided, however, that
the authority shall retain the right to revoke approval if it

1 determines that the project has deviated from the plan submitted 2 pursuant to paragraph (2) of this subsection. (4) The authority may promulgate any rules and regulations 3 4 necessary to implement this subsection, including provisions for 5 fees to cover administrative costs. Where no public fund has been established for the financing of a 6 7 public improvement, the chief financial officer of the public owner 8 shall require the private entity for whom the public improvement is 9 being made to post, or cause to be posted, a bond guaranteeing 10 prompt payment of moneys due to the contractor, his or her 11 subcontractors and to all persons furnishing labor or materials to the 12 contractor or his or her subcontractors in the prosecution of the 13 work on the public improvement. 14 g. The provisions of P.L.2009, c.136 (C.52:18-42 et al.) shall 15 not apply to any project carried out pursuant to this section. 16 (cf: P.L.2010, c.10, s.1) 17 18 2. This act shall take effect immediately. 19 20 21 **STATEMENT** 22 23 This bill changes current law by extending the application 24 deadline for 18 months, from February 1, 2012 to August 1, 2013, 25 for the submission of certain project applications to the New Jersey 26 Economic Development Authority ("authority") for the authority's 27 review and approval. Specifically, the bill would provide an additional 18 months for a public institution of higher education to 28 29 submit to the authority for review and approval proposed projects in 30 which a private entity is to assume the full financial and 31 administrative responsibility for the on-campus construction, 32 reconstruction, repair, alteration, improvement, or extension of a building, structure, or facility of, or for the benefit of, the 33 34 institution, provided that the project is financed in whole by the 35 private entity and that the institution retains full ownership of the 36 land upon which the project is completed.

ASSEMBLY COMMERCE AND ECONOMIC DEVELOPMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2271

STATE OF NEW JERSEY

DATED: FEBRUARY 6, 2012

The Assembly Commerce and Economic Development Committee reports favorably Assembly Bill No. 2271.

This bill would extend the deadline for public colleges to submit proposed public-private partnership applications to the New Jersey Economic Development Authority ("EDA") for the EDA's review and approval. Under current law, a public college must submit an application for a proposed public-private partnership to the EDA by February 1, 2012. This bill would extend that deadline for 18 months to August 1, 2013.

The bill would provide public colleges an additional 18 months to propose projects in which a private entity assumes the full financial and administrative responsibility for the construction, reconstruction, repair, alteration, improvement, or extension of a building, structure, or facility on the public college's campus.