

52:32-1.3 to 52:32-1.5

LEGISLATIVE HISTORY CHECKLIST

NJSA: 52:32-1.3 to 52:32-1.5

(Public contracts--in-state preference--reciprocity with other states)

LAWS OF: 1985

CHAPTER: 156

Bill No: A2031

Sponsor(s): Zangari and others

Date Introduced: May 17, 1984

Committee: Assembly: Labor

Senate: State Government, Federal & Interstate Relations and Veteran Affairs.

Amended during passage: Yes Amendments during passage denoted by asterisks.

Date of Passage: Assembly: January 28, 1985

Senate: March 7, 1985

Date of Approval: April 26, 1985

Following statements are attached if available:

Sponsor statement: Yes (Below)

Committee statement: Assembly Yes

Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: ~~No~~ yes

Following were printed:

Reports: No

Hearings: No

Sponsors' statement:

This bill would give reciprocal treatment to any bidder for a public contract with its principal place of business located in another state which has in-state bidder preference laws or regulations.

4-26-85

[OFFICIAL COPY REPRINT]
ASSEMBLY, No. 2031

STATE OF NEW JERSEY

INTRODUCED MAY 14, 1984

By Assemblymen ZANGARI, FOY, CHARLES, BRYANT, VISOT-
 CKY, PELLECCIA, Assemblywoman GARVIN, Assemblymen
 PATERNITI, CUPROWSKI, FRELINGHUYSEN, MAR-
 SELLA, LONG, Assemblywoman PERUN, Assemblymen
 NAPLES, RILEY, DEVERIN, PATERO, HAYTAIAN, FOR-
 TUNATO, THOMPSON, LARocca, LOVEYS, HENDRICK-
 SON, PALAIA, FELICE and MILLER

AN ACT concerning public contracts and supplementing chapter
 32 of Title 52 of the Revised Statutes.

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

1 1. As used in this act, "public contract" means any contract or
 2 agreement entered into by a state or any instrumentality of that
 3 state to purchase goods, services or both.

1 2. Any bidder with its principal place of business located in
 2 another state which has provisions of state law, rules or regula-
 3 tions causing disadvantage to any bidder for a public contract to
 4 provide like goods, services or both to that state because the bid-
 5 der's principal place of business is located outside of that state
 6 shall have like conditions applied to it in a manner pursuant to
 7 regulations issued by the State Treasurer when bidding for a public
 8 contract in this State ***[**, unless the treasurer determines that a
 9 substantial portion of the goods, services or both to be provided
 10 under the contract are produced within this State.]* **The pro-*
 11 *visions of this act may be waived with respect to a bidder, if the*
 12 *State Treasurer, on the basis of economic or other circumstances,*
 13 *determines it to be in the best interest of the State.**

1 3. The State Treasurer shall adopt rules and regulations to im-
 2 plement the provisions of this act pursuant to the "Administrative
 3 Procedure Act," P. L. 1968, c. 410 (C. 52:14B-1 et seq.).

1 4. This act shall take effect immediately, but shall remain in-
 2 operative until the 120th day after enactment.

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 printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

*—Assembly committee amendments adopted January 24, 1985.

STATEMENT

This bill would give reciprocal treatment to any bidder for a public contract with its principal place of business located in another state which has in-state bidder preference laws or regulations.

ASSEMBLY LABOR COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2031

STATE OF NEW JERSEY

DATED: JANUARY 24, 1985

This bill provides that where an out-of-state bidder on a New Jersey State or local contract has its principal place of business in a state whose public contracts law discriminates against New Jersey and other nonresident bidders, the New Jersey contracting agency shall, in accordance with State Treasury Department regulations, impose similarly discriminatory conditions on the out-of-state bidder.

Under the bill as amended by the Assembly Labor Committee, requires that such conditions be imposed on a reciprocal basis would apply in all cases except those in which the State Treasurer determines that, notwithstanding the location of the out-of-state bidder's principal place of business, the awarding of the contract would be in the best interest of the State.

The purpose of the bill is to ensure that businesses from out-of-state are not able to bid on and obtain New Jersey State and local contracts under more favorable conditions than are afforded to New Jersey businesses when bidding on similar contracts in other states.

As of December, 1983 at least 20 states had laws giving some form of preference to in-state bidders on government contracts. New York and Connecticut, for example, allowed in-state printers to bid as much as 10% higher than out-of-state printers without forfeiting the preference.

On the other hand, at least 15 states, including Pennsylvania, had statutes mandating reciprocity against contractors from states with in-state preferences. Pennsylvania's law, which is still in effect, prohibits Pennsylvania agencies from purchasing goods from out-of-state contractors whose home states give preference to in-state producers of those goods.

In setting out the condition under which reciprocity will be waived, Assembly Bill No. 2301 literally states that the State Treasurer must make a determination that a substantial portion of goods or services to be purchased "are produced" in New Jersey. This could be interpreted to mean that where the treasurer determines that New Jersey

is a major producer of the type of goods or services being purchased, reciprocal treatment will not be imposed. However, the sponsor's intent is that reciprocity shall be waived only if the treasurer determines that *under the terms of the contract* the goods or services being purchased shall be produced in New Jersey.

SENATE STATE GOVERNMENT, FEDERAL AND
INTERSTATE RELATIONS AND VETERANS AFFAIRS
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 2031

[OFFICIAL COPY REPRINT]

STATE OF NEW JERSEY

DATED: FEBRUARY 25, 1985

This bill provides that when an out-of-state bidder on a New Jersey State or local contract has its principal place of business in a state whose public contracts law discriminates against New Jersey and other nonresident bidders, the New Jersey contracting agency shall, in accordance with Department of Treasury regulations, impose similar conditions on the out-of-state bidder.

The provisions of this act may be waived if the State Treasurer determines, on the basis of economic or other circumstances, that a waiver would be in the best interest of the State.



OFFICE OF THE GOVERNOR NEWS RELEASE

CN-001

Contact: PAUL WOLCOTT
609-292-8956

TRENTON, N.J. 08625

Release: MONDAY, APRIL 29, 1973

Governor Thomas H. Kean has signed the following bills:

S-684, sponsored by State Senator William C. Haines, R-Burlington, which would allow an individual who was a member of the Public Employees' Retirement System on or before June 1, 1973, a second opportunity to transfer to the Police and Firemen's Retirement System.

A-2031, sponsored by Assemblyman James Zangari, D-Essex, which requires reciprocal treatment on public contracts to any bidder whose principal place of business is located in a state which applies in-state bidder preferences to the detriment of New Jersey vendors.

A-661, sponsored by Assemblyman Anthony S. Marsella, D-Gloucester, which provides for the issuance of a plenary retain transit license to the owner of a limousine, entitling the limousine owner to sell alcoholic beverages for consumption in the limousine.

A-3123, sponsored by Assemblyman David C. Schwartz, D-Middlesex, which authorizes the Commissioner of Community Affairs to appoint a supervisor and assistant supervisor for the New Jersey Youth Corps. They would serve at the pleasure of the Commissioner and be appointed outside the classified Civil Service system.

S-1480, sponsored by Senate President Carmen A. Orechio, D-Essex, which expands the weapon-carrying privileges of full-time, paid members of a paid or part-paid fire department who are assigned to arson investigations who have completed an approved Police Training Commission weapons training program.

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