

30: 9-87 to 30: 9-88 ✓

LEGISLATIVE HISTORY CHECKLIST

NJSA: 30:9-87 to 30:9-88

(Hospitals and nursing homes—county and municipal—allow joint purchases without advertising)

LAWS OF: 1985

CHAPTER: 287

Bill No: S196

Sponsor(s): Caufield

Date Introduced: Pre-filed

Committee: Assembly: Corrections, Health and Human Services

Senate: Institutions, Health and Welfare

Amended during passage: Yes Amendments during passage denoted by asterisks

Date of Passage: Assembly: June 27, 1985

Senate: February 27, 1985

Date of Approval: August 14, 1985

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: Assembly Yes

Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: ~~No~~ Yes

Following were printed:

Reports: No

Hearings: No

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SENATE, No. 196

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1984 SESSION

By Senator CAUFIELD

AN ACT concerning contracts by county and municipal hospitals  
*\*and long term care facilities\** in certain cases.

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

1 1. Notwithstanding the provisions of the "Local Public Contracts  
2 Law," P. L. 1971, c. 198 (C. 40A:11-1 et seq.) to the contrary, a  
3 hospital *\*or institution for the aged and disabled\** operated under  
4 the authority of chapter 9 of Title 30 of the Revised Statutes by  
5 a county or municipality\*, *or a county-operated facility licensed by*  
6 *the State Department of Health as a long term care facility,\** may  
7 enter into any contract and make any arrangement with any other  
8 such hospital or with any other State, federal or privately owned  
9 hospital, or any medical school, or other health related facility  
10 having or using hospital services or facilities for the joint purchase  
11 of any material, supply or service from a private nonprofit hospital  
12 association.

1 2. Any purchase, contract or agreement described in section 1  
2 of this act may be made, negotiated or awarded by the board of  
3 managers *\*or the governing body of the facility\** without public  
4 advertising for bids and bidding therefor\*, *except that the board*  
5 *of managers or the governing body of the facility shall pass a*  
6 *resolution supporting the reasons for its action, and immediately*  
7 *after awarding of the contract shall once in a newspaper authorized*  
8 *by law to publish official public notices in the municipality or the*  
9 *county in which the hospital or long term care facility is situated,*  
10 *publish a public notice with respect to the duration of the contract,*

Matter printed in italics *thus* is new matter.

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

\*—Assembly committee amendments adopted December 13, 1984.

11 to whom it has been awarded including the name of the primary  
12 supplier or manufacturer, the material, supply or service pur-  
13 chased, and the amount of the contract. A copy of the contract  
14 shall be provided to the clerk of the municipality or county in which  
15 the facility is located and shall be available for public inspection  
16 immediately after it has been awarded\*.

1 3. This act shall take effect immediately.

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# SENATE, No. 196

## STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1984 SESSION

By Senator CAUFIELD

AN ACT concerning contracts by county and municipal hospitals  
in certain cases.

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

1 1. Notwithstanding the provisions of the "Local Public Contracts  
2 Law," P. L. 1971, c. 198 (C. 40A:11-1 et seq.) to the contrary, a  
3 hospital operated under the authority of chapter 9 of Title 30 of  
4 the Revised Statutes by a county or municipality may enter into  
5 any contract and make any arrangement with any other such hos-  
6 pital or with any other State, federal or privately owned hospital,  
7 or any medical school, or other health related facility having or  
8 using hospital services or facilities for the joint purchase of any  
9 material, supply or service from a private nonprofit hospital as-  
10 sociation.

1 2. Any purchase, contract or agreement described in section 1  
2 of this act may be made, negotiated or awarded by the board of  
3 managers without public advertising for bids and bidding therefor.

1 3. This act shall take effect immediately.

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### STATEMENT

The purpose of this bill is to permit county and municipal hospitals which are subject to the provisions of the "Local Public Contracts Law," P. L. 1971, c. 198 (C. 40A:11-1 et seq.) to enter into agreements with other health-related facilities for joint purchases of materials, supplies and services from private, nonprofit hospital associations. The bill further provides that the purchase, contract or agreement may be made, negotiated or awarded without public advertising for bids and bidding.

ASSEMBLY CORRECTIONS, HEALTH AND  
HUMAN SERVICES COMMITTEE

STATEMENT TO

**SENATE, No. 196**

with Assembly committee amendments

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**STATE OF NEW JERSEY**

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DATED: DECEMBER 13, 1984

As amended by committee, this bill provides that county and municipal hospitals and county nursing homes subject to the "Local Public Contracts Law," P. L. 1971, c. 198 (C. 40A:11-1 et seq.) may enter into agreements with other hospitals and health-related facilities for joint purchases of materials, supplies and services from a private nonprofit hospital association. The amended bill also provides that the hospitals and county nursing homes enter into these agreements to purchase without public advertising for bids and bidding.

The amendments include county nursing homes within the provisions of the bill and require that the board of managers of a county or municipal hospital or the governing body of a county nursing home pass a resolution supporting the reasons for its action and that, after awarding of the contract, there be a public notice published in a newspaper of a bid which has been accepted, giving the material, supply or service bought, the name of the vendor, and the duration and amount of the contract. In addition, a copy of the contract is to be provided to the clerk of the municipality or county in which the facility is located and shall be made available for public inspection immediately after it has been awarded.

The committee reported the bill favorably as amended.

SENATE INSTITUTIONS, HEALTH AND WELFARE  
COMMITTEE

STATEMENT TO  
**SENATE, No. 196**

**STATE OF NEW JERSEY**

DATED: FEBRUARY 6, 1984

This bill permits county and municipal hospitals which are subject to the provisions of the "Local Public Contracts Law" to enter into agreements with other hospitals and health related facilities for joint purchases of materials, supplies and services from a private nonprofit hospital association. The bill provides that the hospitals may enter into these agreements to purchase without public advertising for bids or bidding.

The New Jersey Hospital Association (the only nonprofit hospital association in the State) has administered a joint purchasing program for about 10 years. Over 102 hospitals in the State participate and purchase drugs and pharmaceuticals, food, medical and surgical supplies and fuel from the association. The association buys in large volume which enables the participating hospitals to save money on these items. The New Jersey Hospital Association estimates that by joining the joint purchasing program, county and municipal governments can save from 5% to 25% on various public hospital purchases.

BILL SIGNINGS A-1049 Et. Al.

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THURSDAY, AUGUST 15, 1985

S-140, sponsored by State Senator Walter Rand, D-Camden, which supplements the Uniform Anatomical Gift Act by requiring hospitals to determine whether a patient has made an anatomical gift, to whom the gift was made, and to make that information part of the patient's permanent records.

S-196, sponsored by State Senator John P. Caufield, D-Essex, which permits county and municipal hospitals and nursing homes to enter into joint agreements with other hospitals and health related facilities for the joint purchase of materials, supplies and services from private non-profit hospital associations without public bidding.

S-2124, sponsored by State Senator John F. Russo, D-Ocean, which provides for uniform budgetary procedures for fire districts and requires that nominating petitions for candidates for boards of fire commissioners contain a notice that the candidate must comply with the New Jersey Campaign Contributions and Expenditures Reporting Act.

S-2870, sponsored by State Senator Feldman, which exempts the installation of burglar and fire alarm systems involving 30 volts or less from the permit requirement provisions of the Electrical Contractors Licensing Act of 1962.

S-2890, sponsored by State Senator Raymond Lesniak, D-Union, which appropriates \$90,000 to the Department of Environmental Protection as State aid to Union and Middlesex counties for spill prevention, response and cleanup.