

5:10-21.1 et al

LEGISLATIVE HISTORY CHECKLIST

NJSA: 5:10-21.1 et al

(Bidding threshold--\$7500-  
certain state authorities)

LAWS OF: 1984

CHAPTER: 128

Bill No: A2096

Sponsor(s): Fortunato

Date Introduced: May 17, 1984

Committee: Assembly: /////

Senate: /////

Amended during passage: No

Date of Passage: Assembly: May 21, 1984

Senate: June 25, 1984

Date of Approval: August 8, 1984

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: Assembly No

Senate No

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

DEPOSITORY COPY

No Not Remove from Library

CHAPTER 128 LAWS OF N. J. 1984  
APPROVED 8-8-84

## ASSEMBLY, No. 2096

# STATE OF NEW JERSEY

INTRODUCED MAY 17, 1984

By Assemblyman FORTUNATO

AN ACT concerning the awarding of public contracts, amending various parts of the statutory law, and supplementing P. L. 1968, c. 404 (C. 13:17-1 et seq.).

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

1 1. Section 1 of P. L. 1981, c. 447 (C. 5:10-21.1) is amended  
2 to read as follows:

3 1. *a.* All purchases, contracts, or agreements where the cost or  
4 contract price exceeds the sum of **[\$4,500.00]** *\$7,500.00 or, after*  
5 *June 30, 1985, the amount determined pursuant to subsection b. of*  
6 *this section shall, except as otherwise provided in this act, be made,*  
7 *negotiated, or awarded only after public advertisement for bids*  
8 *therefor and shall be awarded to that responsible bidder whose bid,*  
9 *conforming to the invitation for bids, is most advantageous to the*  
10 *authority, in its judgment, upon consideration of price and other*  
11 *factors. Any bid may be rejected when the authority determines*  
12 *that it is in the public interest to do so.*

13 Any purchase, contract, or agreement where the cost or contract  
14 price is **[\$4,500.00 or less]** *less than or equal to \$7,500.00 or, after*  
15 *June 30, 1985, the amount determined pursuant to subsection b. of*  
16 *this section may be made, negotiated, or awarded by the authority*  
17 *without advertising and in any manner which the authority, in its*  
18 *judgment, deems necessary to serve its unique interests and*  
19 *purposes and which promotes, whenever practicable, full and free*  
20 *competition by the acceptance of quotations or proposals or by the*  
21 *use of other suitable methods.*

**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.**

22 *b. Commencing January 1, 1985, the Governor, in consultation*  
 23 *with the Department of the Treasury, shall, no later than March 1*  
 24 *of each odd-numbered year, adjust the threshold amount set forth*  
 25 *in subsection a. of this section, or subsequent to 1985 the threshold*  
 26 *amount resulting from any adjustment under this subsection, in*  
 27 *direct proportion to the rise or fall of the consumer price index for*  
 28 *all urban consumers in the New York City and the Philadelphia*  
 29 *areas as reported by the United States Department of Labor. The*  
 30 *Governor shall, no later than June 1 of each odd-numbered year,*  
 31 *notify the authority of the adjustment. The adjustment shall be-*  
 32 *come effective on July 1 of each odd-numbered year.*

1 2. Section 2 of P. L. 1981, c. 447 (C. 5:10-21.2) is amended to  
 2 read as follows:

3 2. Any purchase, contract, or agreement where the cost or con-  
 4 tract price exceeds **[\$4,500.00]** *the amount set forth in, or after*  
 5 *June 30, 1985 the amount calculated by the Governor pursuant to,*  
 6 *section 1 of P. L. 1981, c. 447 (C. 5:10-21.1) may be made, negoti-*  
 7 *ated, or awarded by the authority without advertisement for bids*  
 8 *when the subject matter is that described in section 3 of this act*  
 9 *or when the purchase, contract, or agreement is made, negotiated,*  
 10 *or awarded under the circumstances described in section 4 of this*  
 11 *act. In any such instance, the authority may make, negotiate, or*  
 12 *award the purchase, contract, or agreement in any manner which*  
 13 *the authority deems necessary to serve its unique interests and*  
 14 *purposes and which promotes, whenever practicable, full and free*  
 15 *competition by the acceptance of quotations or proposals or by the*  
 16 *use of other suitable methods.*

1 3. Section 1 of P. L. 1968, c. 459 (C. 27:12B-5.2) is amended  
 2 to read as follows:

3 1. *a.* The New Jersey Highway Authority, in the exercise of its  
 4 authority to make and enter into contracts and agreements neces-  
 5 sary or incidental to the performance of its duties and the execution  
 6 of its powers, shall adopt standing operating rules and procedures  
 7 providing that, except as hereinafter provided, no contract on  
 8 behalf of the authority shall be entered into for the doing of any  
 9 work, or for the hiring of equipment or vehicles, where the sum to  
 10 be expended exceeds the sum of **[\$2,500.00]** *\$7,500.00 or, after*  
 11 *June 30, 1985, the amount determined pursuant to subsection b. of*  
 12 *this section unless the authority shall first publicly advertise for*  
 13 *bids therefor, and shall award the contract to the lowest responsi-*  
 14 *ble bidder; provided, however, that such advertising shall not be*  
 15 *required where the contract to be entered into is one for the fur-*  
 16 *nishing or performing services of a professional nature or for the*

17 supplying of any product or the rendering of any service by a  
18 public utility subject to the jurisdiction of the Board of Public  
19 Utility Commissioners of this State and tariffs and schedules of  
20 the charges, made, charged, or exacted by the public utility for any  
21 such products to be supplied or services to be rendered are filed  
22 with the said board.

23 This [section] subsection shall not prevent the authority from  
24 having any work done by its own employees, nor shall it apply to  
25 repairs, or to the furnishing of materials, supplies or labor, or the  
26 hiring of equipment or vehicles, when the safety or protection of its  
27 or other public property or the public convenience require, or the  
28 exigency of the authority's service will not admit of such advertise-  
29 ment. In such case the authority shall, by resolution, passed by the  
30 affirmative vote of a majority of its members, declare the exigency  
31 or emergency to exist, and set forth in the resolution the nature  
32 thereof and the approximate amount to be so expended.

33 *b. Commencing January 1, 1985, the Governor, in consultation*  
34 *with the Department of the Treasury, shall, no later than March 1*  
35 *of each odd-numbered year, adjust the threshold amount set forth*  
36 *in subsection a. of this section, or subsequent to 1985 the threshold*  
37 *amount resulting from any adjustment under this subsection, in*  
38 *direct proportion to the rise or fall of the consumer price index for*  
39 *all urban consumers in the New York City and the Philadelphia*  
40 *areas as reported by the United States Department of Labor. The*  
41 *Governor shall, no later than June 1 of each odd-numbered year,*  
42 *notify the authority of the adjustment. The adjustment shall be-*  
43 *come effective on July 1 of each odd-numbered year.*

1 4. Section 1 of P. L. 1968, c. 462 (C. 27:12C-11.1) is amended  
2 to read as follows:

3 1. *a.* The New Jersey Expressway Authority, in the exercise of  
4 its authority to make and enter into contracts and agreements  
5 necessary or incidental to the performance of its duties and the  
6 execution of its powers, shall adopt standing operating rules and  
7 procedures providing that, except as hereinafter provided, no con-  
8 tract on behalf of the authority shall be entered into for the doing  
9 of any work, or for the hiring of equipment or vehicles, where the  
10 sum to be expended exceeds the sum of ~~[\$2,500.00]~~ \$7,50000 or,  
11 *after June 30, 1985, the amount determined pursuant to subsection*  
12 *b. of this section unless the authority shall first publicly advertise*  
13 *for bids therefor, and shall award the contract to the lowest*  
14 *responsible bidder; provided, however, that such advertising shall*  
15 *not be required where the contract to be entered into is one for the*  
16 *furnishing or performing services of a professional nature or for*

17 the supplying of any product or the rendering of any service by a  
 18 public utility subject to the jurisdiction of the Board of Public  
 19 Utility Commissioners of this State and tariffs and schedules of  
 20 the charges, made, charged, or exacted by the public utility for any  
 21 such products to be supplied or services to be rendered are filed with  
 22 the said board.

23 This [section] *subsection* shall not prevent the authority from  
 24 having any work done by its own employees, nor shall it apply to  
 25 repairs, or to the furnishing of materials, supplies or labor, or the  
 26 hiring of equipment or vehicles, when the safety or protection of  
 27 its or other public property or the public convenience require, or  
 28 the exigency of the authority's service will not admit of such  
 29 advertisement. In such case the authority shall, by resolution,  
 30 passed by the affirmative vote of a majority of its members, declare  
 31 the exigency or emergency to exist, and set forth in the resolution  
 32 the nature thereof and the approximate amount to be so expended.

33 *b. Commencing January 1, 1985, the Governor, in consultation*  
 34 *with the Department of the Treasury, shall, no later than March 1*  
 35 *of each odd-numbered year, adjust the threshold amount set forth*  
 36 *in subsection a. of this section, or subsequent to 1985 the threshold*  
 37 *amount resulting from any adjustment under this subsection, in*  
 38 *direct proportion to the rise or fall of the consumer price index for*  
 39 *all urban consumers in the New York City and the Philadelphia*  
 40 *areas as reported by the United States Department of Labor. The*  
 41 *Governor shall, no later than June 1 of each odd-numbered year,*  
 42 *notify the authority of the adjustment. The adjustment shall be-*  
 43 *come effective on July 1 of each odd-numbered year.*

1 5. Section 1 of P. L. 1968, c. 461 (C. 27:23-6.1) is amended to  
 2 read as follows:

3 1. *a.* The New Jersey Turnpike Authority, in the exercise of its  
 4 authority to make and enter into contracts and agreements neces-  
 5 sary or incidental to the performance of its duties and the execution  
 6 of its powers, shall adopt standing operating rules and procedures  
 7 providing that, except as hereinafter provided, no contract on  
 8 behalf of the authority shall be entered into for the doing of any  
 9 work, or for the hiring of equipment or vehicles, where the sum to  
 10 be expended exceeds the sum of ~~[\$2,500.00]~~ \$7,500.00 or, after  
 11 June 30, 1985, the amount determined pursuant to subsection b. of  
 12 this section unless the authority shall first publicly advertise for  
 13 bids therefor, and shall award the contract to the lowest responsible  
 14 bidder; provided, however, that such advertising shall not be re-  
 15 quired where the contract to be entered into is one for the furnish-  
 16 ing or performing services of a professional nature or for the sup-

17 plying of any product or the rendering of any service by a public  
18 utility subject to the jurisdiction of the Board of Public Utility  
19 Commissioners of this State and tariffs and schedules of the  
20 charges, made, charged, or exacted by the public utility for any  
21 such products to be supplied or services to be rendered are filed  
22 with the said board.

23 This [section] subsection shall not prevent the authority from  
24 having any work done by its own employees, nor shall it apply to  
25 repairs, or to the furnishing of materials, supplies or labor, or the  
26 hiring of equipment or vehicles, when the safety or protection of its  
27 or other public property or the public convenience require, or the  
28 exigency of the authority's service will not admit of such advertise-  
29 ment. In such case the authority shall, by resolution, passed by the  
30 affirmative vote of a majority of its members, declare the exigency  
31 or emergency to exist, and set forth in the resolution the nature  
32 thereof and the approximate amount to be so expended.

33 *b. Commencing January 1, 1985, the Governor, in consultation*  
34 *with the Department of the Treasury, shall, no later than March 1*  
35 *of each odd-numbered year, adjust the threshold amount set forth*  
36 *in subsection a. of this section, or subsequent to 1985 the threshold*  
37 *amount resulting from any adjustment under this subsection, in*  
38 *direct proportion to the rise and fall of the consumer price index for*  
39 *all urban consumers in the New York City and the Philadelphia*  
40 *areas as reported by the United States Department of Labor. The*  
41 *Governor shall, no later than June 1 of each odd-numbered year,*  
42 *notify the authority of the adjustment. The adjustment shall be-*  
43 *come effective on July 1 of each odd-numbered year.*

1 6. (New section) a. All purchases, contracts, or agreements  
2 where the cost or contract price exceeds the sum of \$7,500.00 or,  
3 after June 30, 1985, the amount determined pursuant to subsection  
4 b. of this section shall be made, negotiated, or awarded only after  
5 public advertisement for bids therefor and shall be awarded to  
6 that responsible bidder whose bid, conforming to the invitation  
7 for bids, is most advantageous to the Hackensack Meadowlands  
8 Development Commission, in its judgment, upon consideration of  
9 price and other factors. Any bid may be rejected when the com-  
10 mission determines that it is in the public interest to do so.

11 Any purchase, contract, or agreement where the cost or contract  
12 price is less than or equal to \$7,500.00 or, after June 30, 1985, the  
13 amount determined pursuant to subsection b. of this section may  
14 be made, negotiated, or awarded by the commission without ad-  
15 vertising and in any manner which the commission, in its judg-  
16 ment, deems necessary to serve its unique interests and purposes

17 and which promotes, whenever practicable, full and free competi-  
18 tion by the acceptance of quotations or proposals or by the use  
19 of other suitable methods.

20 *b. Commencing January 1, 1985, the Governor, in consultation*  
21 *with the Department of the Treasury, shall, no later than March 1*  
22 *of each odd-numbered year, adjust the threshold amount set forth*  
23 *in subsection a. of this section, or subsequent to 1985 the threshold*  
24 *amount resulting from any adjustment under this subsection, in*  
25 *direct proportion to the rise or fall of the consumer price index*  
26 *for all urban consumers in the New York City and the Philadelphia*  
27 *areas as reported by the United States Department of Labor. The*  
28 *Governor shall, no later than June 1 of each odd-numbered year,*  
29 *notify the commission of the adjustment. The adjustment shall be-*  
30 *come effective on July 1 of each odd-numbered year.*

1 7. This act shall take effect immediately.

---

*SPONSOR'S* STATEMENT

This bill increases the bidding threshold amount to \$7,500.00 for State contracts involving the following: (1) New Jersey Sports and Exposition Authority; (2) New Jersey Highway Authority; (3) New Jersey Expressway Authority; (4) New Jersey Turnpike Authority; and (5) Hackensack Meadowlands Development Commission.

This bill is intended to adjust bid threshold amounts to reflect current expenses and to provide the flexibility needed to make further adjustments in the bid thresholds as prices of commodities and services increase.

---

Aug. 9, 1984

(2)

- A2096, sponsored by Assemblyman Buddy Fortunato, D-Essex, to increase the bidding threshold from \$4,500 to \$7,500 for contracts and purchases by the New Jersey Sports and Exposition Authority, the Highway Authority, the Turnpike Authority, the Expressway Authority and the Hackensack Meadowlands Development Commission.

- S1859 sponsored by Sen. Laurence S. Weiss, D-Middlesex, to permit the appointment of an additional municipal court judge in Woodbridge Township.

- S234, sponsored by Sen. Edwin O'Connor, D-Hudson, provides that a person possessing two or more stolen credit cards is guilty of stealing them or of receiving stolen property.

- S-230, also by O'Connor, provides members of the Jersey City Pension System with a one-time increase of 1 percent for each year which has elapsed since retirement. It is the first such increase for the system's retirees since 1964, O'Connor said.

- S-231, also by O'Connor, admits temporary employees with at least one year of service to the Jersey City Retirement System.

- A1339, sponsored by Assemblyman Joseph Charles Jr., D-Hudson, amends the Consolidated Police and Firemen's Pension Fund law to provide that compensation for retirement after 25 years of service shall be based on the last year of employment rather than on the average salary for the last three years.