

18A:18A-42

LEGISLATIVE HISTORY CHECKLIST

NJSA: 18A:18A-42 (School purchases--supplies and services--allow contracts up to 2 years)

LAWS OF: 1983 CHAPTER: 13

Bill No.: S1598

Sponsor(s): Dumont, Feldman and Ewing

Date Introduced: July 12, 1982

Committee: Assembly: Education

Senate: Education

Amended during passage: Yes // Amendments during passage denoted by asterisks. Substituted for A1739 (not attached since identical to S1598)

Date of Passage: Assembly: Dec. 6, 1982

Senate: Oct. 18, 1982

Date of Approval: Jan. 19, 1983

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

Following were printed:

Reports: Yes //

Hearings: /// No

Report, mentioned in committee statements:

974.90 New Jersey. Commission on Business Efficiency of the Public Schools.
S372 Financial Management Subcommittee.

1982 Public School district purchasing programs in New Jersey: a review of specific issues and problems. August, 1982. Trenton, 1982. (See pp. 1, 2, 5; Appendix C)

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SENATE, No. 1598

STATE OF NEW JERSEY

INTRODUCED JULY 12, 1982

By Senators DUMONT, FELDMAN and EWING

Referred to Committee on Education

AN ACT concerning the duration of certain contracts subject to the "Public School Contracts Law," and amending N. J. S. 18A:18A-42.

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

1 1. N. J. S. 18A:18A-42 is amended to read as follows:

2 18A:18A-42. Duration of certain contracts. Any board of edu-
3 cation may enter into a contract exceeding the fiscal year for the

4 a. Supplying of:

5 (1) Fuel for heating purposes, for any term not exceeding in
6 the aggregate, three years; or

7 (2) Fuel or oil for use of automobiles, autobuses, motor vehicles
8 or equipment for any term not exceeding in the aggregate, three
9 years; or

10 b. The plowing and removal of snow and ice for any term not
11 exceeding in the aggregate, three years; or

12 c. The collection and disposal of garbage and refuse, for any
13 term not exceeding in the aggregate, three years; or

14 d. Data processing service, for any term of not more than five
15 years; or

16 e. Insurance, for any term of not more than three years; or

17 f. Leasing or servicing of automobiles, motor vehicles, electronic
18 communications equipment, machinery and equipment of every
19 nature and kind, for any term not exceeding the aggregate five
20 years; provided, however, such contracts shall be entered into only
21 subject to and in accordance with rules and regulations promul-
22 gated by the State Board of Education;

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:

*—Senate committee amendment adopted September 23, 1982.

23 g. The supplying of any product or the rendering of any service
 24 by a telephone company which is subject to the jurisdiction of the
 25 Board of Public [Utility Commissioners] *Utilities* for a term not
 26 exceeding five years;

27 *h. Materials, supplies or services that are required on a recur-*
 28 *ring basis from year to year, for any term not exceeding in the*
 29 *aggregate two years; however, such contract may be renewed yearly*
 30 *for a period not exceeding three additional years without any fur-*
 31 *ther solocitation for bids or bidding upon a finding by the board*
 32 *that the services are being performed in an effective and efficient*
 33 *manner, or that the materials and supplies continue to meet the*
 34 *original specifications. If a board of education elects to renew an*
 35 *existing contract, the terms and conditions of the existing contract*
 36 *shall remain substantially unchanged and any increase in the con-*
 37 *tract cost over the three year period shall be no greater than a*
 38 *total of 20% over the initial cost.*

39 All multiyear leases and contracts entered into pursuant to this
 40 section 18A:18A-42 except contracts for the leasing or servicing of
 41 equipment supplied by a telephone company which is subject to the
 42 jurisdiction of the Board of Public [Utility Commissioners] *Utili-*
 43 *ties* shall contain a clause making them subject to the availability
 44 and appropriation annually of sufficient funds as may be required
 45 to meet the extended obligation, or contain an annual cancellation
 46 clause.

1 2. This act shall take effect immediately.

STATEMENT

This bill permits boards of education to enter into contracts for the purchase of materials, supplies or services that are required on a recurring basis, for terms not exceeding two years. It also provides that such contract may be renewed yearly after its initial term for up to three additional years. However, the cost of the new contract may not be increased more than a total of 20% above the initial cost over the three years additional duration.

This bill is one of a series of bills implementing the July, 1982 report of the Financial Management Subcommittee of the Commission on Business Efficiency of the Public Schools.

51598(1983)

ASSEMBLY EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 1598

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STATE OF NEW JERSEY

DATED: NOVEMBER 15, 1982

PROVISIONS:

This bill permits boards of education to enter into contracts for the purchase of materials, supplies or services that are required on a recurring basis, for terms not exceeding two years. It also provides that such contract may be renewed yearly after its initial term for up to three additional years. However, the cost of the new contract may not be increased more than a total of 20% above the initial cost over the three years additional duration.

BACKGROUND:

This bill is one of a series of bills implementing the July, 1982 report of the Financial Management Subcommittee of the Commission on Business Efficiency of the Public Schools.

According to the commission, this will provide for potential cost savings and act as an incentive to vendors to upgrade equipment.

The multi-year contract is similar to the provision for school transportation contracts. (N. J. S. A. 18A:39-3)

SENATE EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 1598

with Senate committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 23, 1982

PROVISIONS:

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