

LEGISLATIVE HISTORY CHECKLIST

NJSA: 40A:11-15

(Fire fighting equipment - rental - allow 7 year leases)

LAWS OF: 1983

CHAPTER: 398

Bill No: A3128

Sponsor(s): Riley and Marsella

Date Introduced: February 14, 1983

Committee:

Assembly: -----

Senate: County and Municipal Government

Amended during passage: YES  
According to Governor's recommendations

Substituted for S3162 (not attached since identical to A3128).  
Amendments denoted by asterisks.

Date of Passage:

Assembly: February 28, 1983 Re-enacted 15/83

Senate: August 29, 1983 Re-enacted 19/83

Date of Approval: December 22, 1983

Following statements are attached if available:

Sponsor statement: YES (Below)

Committee statement: Assembly NO

Senate YES

Fiscal Note: NO

Veto Message: YES

Message on Signing: ~~NO~~ YES

Following were printed:

Reports: NO

Hearings: NO

Sponsors' Statement:

This bill allows contracting units to enter into contracts for the leasing or servicing of fire fighting equipment for terms of up to seven years.

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 amendments adopted June 16, 1983.

\*\*—Assembly amendments adopted in accordance with Governor's recommendations November 21, 1983.

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ASSEMBLY, No. 3128

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 14, 1983

By Assemblymen RILEY and MARSELLA

AN ACT concerning the term of certain contracts for the leasing or servicing of fire fighting equipment, and amending P. L. 1971, c. 198.

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

1 1. Section 15 of P. L. 1971, c. 198 (C. 40A:11-15) is amended  
2 to read as follows:

3 15. Duration of certain contracts. All purchases, contracts or  
4 agreements *\*for the performing of work or \*\*the\*\* furnishing*  
5 *\*\*of\*\* materials, supplies or services\** shall be made for a period  
6 not to exceed 12 consecutive months, except that contracts or agree-  
6A ments may be entered into for longer periods of time as follows:

7 (1) Supplying of

8 (a) Fuel for heating purposes, for any term not exceeding  
9 in the aggregate, two years;

10 (b) Fuel or oil for use of airplanes, automobiles, motor  
11 vehicles or equipment for any term not exceeding in the aggregate,  
12 two years;

13 (c) Thermal energy produced by a cogeneration facility, for  
14 use for heating or air conditioning or both, for any term not  
15 exceeding 20 years, when the contract is approved by the  
16 Board of Public Utilities. For the purposes of this paragraph,  
17 "cogeneration" means the simultaneous production in one  
18 facility of electric power and other forms of useful energy  
19 such as heating or process steam.

20 (2) (Deleted by amendment\*; *P. L. 1977, c. 53\*.*)

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 amendments adopted June 16, 1983.

\*\*—Assembly amendments adopted in accordance with Governor's recommendations November 21, 1983.

- 21 (3) The collection and disposal of garbage and refuse, for any  
22 term not exceeding in the aggregate, five years;
- 23 (4) The recycling of solid waste, for any term not exceeding 25  
24 years\*,\* when such contract is in conformance with a solid waste  
25 management plan approved pursuant to P. L. 1970, c. 39 (C. 13:1E-1  
26 et seq.), and with the approval of the Division of Local Government  
27 Services and the Department of Environmental Protection;
- 28 (5) Data processing service, for any term of not more than three  
29 years;
- 30 (6) Insurance, for any term of not more than three years;
- 31 (7) Leasing or servicing of automobiles, motor vehicles, \***[elec-**  
32 **tronic communications equipment,]**\* machinery and equipment of  
33 every nature and kind, for a period not to exceed three years; pro-  
34 vided, however, such contracts shall be entered into only subject  
35 to and in accordance with the rules and regulations promulgated  
36 by the Director of the Division of Local Government Services of  
37 the Department of Community Affairs;
- 38 (8) The supplying of any product or the rendering of any service  
39 by a telephone company which is subject to the jurisdiction of the  
40 Board of Public Utilities for a term not exceeding five years;
- 41 (9) Any single project for the construction, reconstruction or  
42 rehabilitation of any public building, structure or facility, or any  
43 public works \***[projects]**\* *project*\*, including the retention of the  
44 services of any architect or engineer in connection therewith, for  
45 the length of time authorized and necessary for the completion of  
46 the actual construction;
- 47 (10) The providing of food services to county colleges and county  
48 assisted institutions of higher education for any term not exceed-  
49 ing three years;
- 50 (11) On-site inspections undertaken by private agencies pur-  
51 suant to the "State Uniform Construction Code Act" (P. L. 1975,  
52 c. 217; C. 52:27D-119 et seq.) for any term of not more than three  
53 years;
- 54 (12) The performance of work or services or the furnishing of  
55 materials or supplies for the purpose of conserving energy in build-  
56 ings owned by, or operations conducted by, the contracting unit,  
57 the entire price of which to be established as a percentage of the  
58 resultant savings in energy costs, for a term not to exceed 10 years;  
59 provided, however, that such contracts shall be entered into only  
60 subject to and in accordance with rules and regulations promulgated  
61 by the Department of Energy establishing a methodology for com-  
61A puting energy cost savings;
- 62 *\*(13) The performance of work or services or the furnishing of*

62A materials or supplies for the purpose of elevator maintenance for  
62B any term not exceeding three years;

62C (14) Leasing or servicing of electronic communications equip-  
62D ment for a period not to exceed five years; provided, however, such  
62E contract shall be entered into only subject to and in accordance  
62F with the rules and regulations promulgated by the Director of the  
62G Division of Local Government Services of the Department of Com-  
62H munity Affairs.\*

63 \*[(13)]\* \*(15)\* Leasing \*[(or servicing)]\* of motor vehicles, ma-  
64 chinery and other equipment primarily used to fight fires, for a  
65 term not to exceed seven years\*, when the contract includes an  
65A option to purchase, subject to and in accordance with rules and  
65B regulations promulgated by the Director of the Division of Local  
65C Government Services of the Department of Community Affairs\*.

66 All multi-year leases and contracts entered into pursuant to this  
67 section 15, except contracts for the leasing or servicing of equip-  
68 ment supplied by a telephone company which is subject to the  
69 jurisdiction of the Board of Public Utilities, contracts for thermal  
70 energy authorized pursuant to subsection (1) above, construction  
71 contracts authorized pursuant to subsection (9) above, or contracts  
72 and agreements for the provision of work or the supplying of  
73 equipment to promote energy conservation authorized pursuant to  
74 subsection (12) above, \*\*[(or the leasing or servicing of fire fighting  
75 equipment authorized pursuant to subsection \*[(13)]\* \*(15)\*  
76 above,]\*\*\* shall contain a clause making them subject to the availa-  
77 bility and appropriation annually of sufficient funds as may be re-  
78 quired to meet the extended obligation, or contain an annual can-  
78A cellation clause.

79 The Division of Local Government Services shall adopt and  
80 promulgate rules and regulations concerning the methods of ac-  
81 counting for all contracts that do not coincide with the fiscal year.

1 2. This act shall take effect immediately.

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**ASSEMBLY, No. 3128**  
**STATE OF NEW JERSEY**

INTRODUCED FEBRUARY 14, 1983

By Assemblymen RILEY and MARSELLA

AN ACT concerning the term of certain contracts for the leasing or servicing of fire fighting equipment, and amending P. L. 1971, c. 198.

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

1 1. Section 15 of P. L. 1971, c. 198 (C. 40A:11-15) is amended  
2 to read as follows:

3 15. Duration of certain contracts. All purchases, contracts or  
4 agreements shall be made for a period not to exceed 12 consecutive  
5 months, except that contracts or agreements may be entered into  
6 for longer periods of time as follows:

7 (1) Supplying of

8 (a) Fuel for heating purposes, for any term not exceeding  
9 in the aggregate, two years;

10 (b) Fuel or oil for use of airplanes, automobiles, motor  
11 vehicles or equipment for any term not exceeding in the aggregate,  
12 two years;

13 (c) Thermal energy produced by a cogeneration facility, for  
14 use for heating or air conditioning or both, for any term not  
15 exceeding 20 years, when the contract is approved by the  
16 Board of Public Utilities. For the purposes of this paragraph,  
17 "cogeneration" means the simultaneous production in one  
18 facility of electric power and other forms of useful energy  
19 such as heating or process steam.

20 (2) (Deleted by amendment.)

21 (3) The collection and disposal of garbage and refuse, for any  
22 term not exceeding in the aggregate, five years;

23 (4) The recycling of solid waste, for any term not exceeding 25  
24 years when such contract is in conformance with a solid waste  
25 management plan approved pursuant to P. L. 1970, c. 39 (C. 13:1E-1  
26 et seq.), and with the approval of the Division of Local Government  
27 Services and the Department of Environmental Protection;

28 (5) Data processing service, for any term of not more than three  
29 years;

30 (6) Insurance, for any term of not more than three years;

31 (7) Leasing or servicing of automobiles, motor vehicles, elec-  
32 tronic communications equipment, machinery and equipment of  
33 every nature and kind, for a period not to exceed three years; pro-  
34 vided, however, such contracts shall be entered into only subject  
35 to and in accordance with the rules and regulations promulgated  
36 by the Director of the Division of Local Government Services of  
37 the Department of Community Affairs;

38 (8) The supplying of any product or the rendering of any service  
39 by a telephone company which is subject to the jurisdiction of the  
40 Board of Public Utilities for a term not exceeding five years;

41 (9) Any single project for the construction, reconstruction or  
42 rehabilitation of any public building, structure or facility, or any  
43 public works projects, including the retention of the services of  
44 any architect or engineer in connection therewith, for the length of  
45 time authorized and necessary for the completion of the actual  
46 construction;

47 (10) The providing of food services to county colleges and county  
48 assisted institutions of higher education for any term not exceed-  
49 ing three years;

50 (11) On-site inspections undertaken by private agencies pur-  
51 suant to the "State Uniform Construction Code Act" (P. L. 1975,  
52 c. 217; C. 52:27D-119 et seq.) for any term of not more than three  
53 years;

54 (12) The performance of work or services or the furnishing of  
55 materials or supplies for the purpose of conserving energy in build-  
56 ings owned by, or operations conducted by, the contracting unit,  
57 the entire price of which to be established as a percentage of the  
58 resultant savings in energy costs, for a term not to exceed 10 years;  
59 provided, however, that such contracts shall be entered into only  
60 subject to and in accordance with rules and regulations promulgated  
61 by the Department of Energy establishing a methodology for com-  
62 puting energy cost savings;

63 (13) *Leasing or servicing of motor vehicles, machinery and other*  
64 *equipment primarily used to fight fires, for a term not to exceed*  
65 *seven years.*

66 All multi-year leases and contracts entered into pursuant to this  
67 section 15, except contracts for the leasing or servicing of equip-  
68 ment supplied by a telephone company which is subject to the  
69 jurisdiction of the Board of Public Utilities, contracts for thermal  
70 energy authorized pursuant to subsection (1) above, construction  
71 contracts authorized pursuant to subsection (9) above, or contracts  
72 and agreements for the provision of work or the supplying of  
73 equipment to promote energy conservation authorized pursuant to  
74 subsection (12) above, *or the leasing or servicing of fire fighting*  
75 *equipment authorized pursuant to subsection (13) above*, shall  
76 contain a clause making them subject to the availability and ap-  
77 propriation annually of sufficient funds as may be required to meet  
78 the extended obligation, or contain an annual cancellation clause.

79 The Division of Local Government Services shall adopt and  
80 promulgate rules and regulations concerning the methods of ac-  
81 counting for all contracts that do not coincide with the fiscal year.

1 2. This act shall take effect immediately.

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#### STATEMENT

This bill allows contracting units to enter into contracts for the leasing or servicing of fire fighting equipment for terms of up to seven years.

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SENATE COUNTY AND MUNICIPAL GOVERNMENT  
COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 3128**

with Senate committee amendments

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**STATE OF NEW JERSEY**

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DATED: JUNE 16, 1983

Assembly Bill No. 3128 amends the "Local Public Contracts Law" to permit local contracting units to enter into contracts for the leasing of fire fighting equipment for terms of up to seven years. Currently, section 15 of P. L. 1971, c. 198 (C. 40A:11-15) limits local contracts to a period of 12 months subject to several exceptions.

The Senate committee amendments limit the provisions of the bill to those instances where the local unit under the lease contract is afforded an option to purchase the equipment.

The Senate committee amendments also incorporate into the bill the provisions of P. L. 1983, c. 176 (approved May 9, 1983) and P. L. 1983, c. 195 (approved May 24, 1983).



STATE OF NEW JERSEY  
EXECUTIVE DEPARTMENT

November 21, 1983

ASSEMBLY BILL NO. 3128 (OCR)

To the General Assembly:

Pursuant to Article V, Section I, paragraph 14 of the Constitution, I herewith return Assembly Bill No. 3128 (OCR) with my recommendations for reconsideration.

Assembly Bill No. 3128 amends the "Local Public Contracts Law" to permit up to seven year contracts for the leasing of firefighting equipment with an option to purchase. Currently, the general rule in the "Local Public Contracts Law" is that local government contracts shall have a one year duration. However, the law permits certain exceptions from this limitation. One of the exceptions permits contracts for the leasing or servicing of motor vehicles, machinery and equipment (which would include firefighting equipment) to last three years. Assembly Bill No. 3128 provides an additional exception which permits seven year leasing contracts with an option to purchase for firefighting equipment and motor vehicles. I am advised that due to the expensive nature of fire equipment seven years is a more realistic time frame for a lease purchase plan for fire equipment and I therefore support this change.

The statute now requires that multi-year contracts, with limited exceptions, be subject to the annual availability and appropriation of funds. Assembly Bill No. 3128, exempts contracts for the lease purchase of firefighting equipment from this general requirement. I know of no reason justifying this exception and accordingly, recommend that it be deleted from the bill. There is also a minor grammatical error appearing in a previous amendment to the statute (viz., P.L. 1983, c. 176), which reappears in this bill. I recommend that this error be corrected at this time.

Accordingly, I herewith return Assembly Bill No. 3128 (OCR) and recommend that it be amended as follows:

Page 1, Section 1, line 4: Insert "the" before "furnishing"  
and insert "of" after "furnishing"

STATE OF NEW JERSEY  
EXECUTIVE DEPARTMENT

2

Page 3, Section 1, lines 74 through 76: On line 74 delete "or the  
leasing or servicing of  
fire fighting" delete line  
75 in entirety and on line  
76 delete "above,"

Respectfully,

/s/ Thomas H. Kean

GOVERNOR

(seal)

Attest:

/s/ W. Cary Edwards  
Chief Counsel

OFFICE OF THE GOVERNOR

RELEASE: IMMEDIATE, DEC. 22, 1983

CONTACT: CARL GOLDEN

Gov. Thomas H. Kean today signed four bills which he had conditionally vetoed earlier and which have since been re-enacted by the Legislature.

The bills are:

A-1654, sponsored by Assemblywoman Barbara Kalik, D-Burlington, to permit attorneys or authorized union representatives to represent employees at removal hearings under the Civil Service law.

A-3128, sponsored by Assemblyman Dennis Riley, D-Camden, to permit contracts for the leasing of firefighting equipment for terms of up to seven years when the contract includes an option to purchase.

A-3355, sponsored by Assemblyman Riley, to authorize the licensing of mobile homes, to place a cap on the licensing fees, and to authorize mobile home park owners or operators to sell the first mobile home located on each site in the park.

A-3600, sponsored by Assemblyman Riley, to provide that manufactured homes in mobile home parks be exempt from real property taxation while those located outside the park will be subject to such taxation.

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