## 40A:11-41 LEGISLATIVE HISTORY CHECKLIST

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- LAWS OF: 2013 CHAPTER: 5
- **NJSA:** 40A:11-41(Authorizes local public contract set-aside program for business enterprises that are owned by or that employ veterans)
- BILL NO: S527 (Substituted for A1133)
- SPONSOR(S) Norcross and others
- DATE INTRODUCED: January 10, 2012
- COMMITTEE: ASSEMBLY: Military and Veteran's Affairs Appropriations
  - SENATE: Military and Veteran's Affairs
- AMENDED DURING PASSAGE: Yes
- DATE OF PASSAGE: ASSEMBLY: December 17, 2012
  - SENATE: December 20, 2012
- DATE OF APPROVAL: January 25, 2013

#### FOLLOWING ARE ATTACHED IF AVAILABLE:

#### FINAL TEXT OF BILL (Second reprint enacted)

S527

SPONSOR'S STATEMENT: (Begins on page 4 of introduced bill)		
COMMITTEE STATEMENT:	ASSEMBLY:	Yes
	SENATE:	Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

	FLOOR AMENDMENT STATEMENT:			No
	LEGISLATIVE FISCAL NOTE:			No
A1133				
	<b>SPONSOR'S STATEMENT</b> (Begins on page 4 of introduced bill)			Yes
	COMMITTEE STATEMENT:		ASSEMBLY:	Yes
			SENATE:	No
	FLOOR AMENDMENT STA	TEMENT:		Yes
	LEGISLATIVE FISCAL NOT	E:		No

(continued)

VETO MESSAGE:	No
GOVERNOR'S PRESS RELEASE ON SIGNING:	No
FOLLOWING WERE PRINTED: To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <u>mailto:refdesk</u>	@njstatelib.org
REPORTS:	No
HEARINGS:	No
NEWSPAPER ARTICLES:	Yes

"Freeholders delay vote on reserving contracts for vets," The Press of Atlantic City, 8-14-13

LAW/KR

#### §8 - Note

## P.L.2013, CHAPTER 5, approved January 25, 2013 Senate, No. 527 (Second Reprint)

1 AN ACT concerning certain public contract set-aside programs and 2 amending P.L.1985, c.482. 3 4 **BE IT ENACTED** by the Senate and General Assembly of the State 5 of New Jersey: 6 7 1. Section 1 of P.L.1985, c.482 (C.40A:11-41) is amended to 8 read as follows: <sup>2</sup>1.<sup>2</sup> As used in this act: 9 a. "County or municipal contracting agency" shall mean the 10 governing body of a county or municipality or any department, 11 board, commission, committee, authority or agency of a county or 12 13 municipality but shall not include school districts; 14 "Minority group members" shall mean persons who are b. 15 black, Hispanic, Portuguese, Asian-American, American Indian or Alaskan natives; 16 17 c. "Qualified women's business enterprise" shall mean a 18 business which has its principal place of business in this State, is independently owned and operated, is at least 51% owned and 19 20 controlled by women and is qualified pursuant to section 25 of P.L. 21 1971, c. 198 (C. 40A:11-25); 22 "Qualified minority business enterprise" shall mean a d. 23 business which has its principal place of business in this State, is 24 independently owned and operated, is at least 51% owned and 25 controlled by minority group members and is qualified pursuant to 26 section 25 of P.L. 1971, c. 198 (C. 40A:11-25); 27 e. "Qualified small business enterprise" shall mean a business 28 which has its principal place of business in this State, is 29 independently owned and operated and meets all other 30 qualifications as may be established in accordance with P.L. 1981, 31 c. 283 (C. 52:27H-21.1 et seq.); 32 f. "Set-aside contracts" shall mean (1) a contract for goods, 33 equipment, construction, or services which is designated as a 34 contract for which bids are invited and accepted only from qualified small business enterprises, <sup>2</sup>qualified veteran business enterprises, <sup>2</sup> 35 qualified minority business enterprises or qualified women's 36 business enterprises, as appropriate, (2) a portion of a contract when 37 38 that portion has been so designated, or (3) any other purchase or 39 procurement so designated; and

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 underlined <u>thus</u> is new matter.

Matter enclosed in superscript numerals has been adopted as follows: <sup>1</sup>Assembly AMV committee amendments adopted September 27, 2012.

<sup>2</sup>Assembly AAP committee amendments adopted December 13, 2012.

## **S527** [2R]

g. "Total procurements" shall mean all purchases, contracts or
acquisitions of a county or municipal contracting agency, whether
by competitive bidding, single source contracting, or other method
of procurement, as prescribed or permitted by law:

5 "Veteran" shall have the same meaning as set forth in h. 6 subsection b. of N.J.S.11A:5-1, except that the veteran shall present 7 to the Adjutant General of the Department of Military and Veterans' 8 Affairs sufficient evidence of a record of service and receive a 9 determination of status no later than the date established for the 10 submission of bids; 11 "Qualified veteran business enterprise" shall mean a i. business which has its principal place of business in this State, is 12 13 independently owned and operated, is at least 51% owned and controlled by a veteran<sup>2</sup>[,]<sup>2</sup> or that  $^{2}$ [agrees to hire veterans<sup>1</sup>, 14 equaling] wherein<sup>2</sup> at least twenty five percent of the required 15 workforce for the contract <sup>2</sup>[including veterans hired<sup>1</sup>] are 16 veterans, including new hires<sup>2</sup> if additional workers are required to 17 18 perform the contract, and is qualified pursuant to section 25 of 19 P.L.1971, c.198 (C.40A:11-25). <sup>1</sup>The business shall also submit 20 forms quarterly to the contracting agency showing proof of veteran 21 status for all the veteran employees<sup>1</sup>.

22 (cf: P.L.1985, c.482, s.1)

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24 2. Section 2 of P.L.1985, c.482 (C.40A:11-42) is amended to 25 read as follows:

26 2. a. The governing body of a county or municipality may, by 27 ordinance or resolution, as appropriate, establish a qualified 28 minority business enterprise set-aside program. In authorizing such 29 a program, the governing body of a county or municipality shall 30 establish a goal for its contracting agencies of setting aside a certain 31 percentage of the dollar value of total procurements to be awarded 32 as set-aside contracts to qualified minority business enterprises.

b. The governing body of a county or municipality may, by ordinance or resolution, as appropriate, establish a qualified women's business enterprise set-aside program. In authorizing such a program, the governing body of a county or municipality shall establish a goal for its contracting agencies of setting aside a certain percentage of the dollar value of total procurements to be awarded as set-aside contracts to qualified women's business enterprises.

40 The governing body of a county or municipality may, by c. 41 ordinance or resolution, as appropriate, establish a qualified small 42 business enterprise set-aside program. In authorizing such a 43 program, the governing body of a county or municipality shall 44 establish a goal for its contracting agencies of setting aside a certain 45 percentage of the dollar value of total procurements to be awarded 46 as set-aside contracts to qualified small business enterprises.

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d. The governing body of a county or municipality may, by 1 2 ordinance or resolution, as appropriate, establish a qualified veteran 3 business enterprise set-aside program. In authorizing such a program, the governing body of a county or municipality shall 4 5 establish a goal for its contracting agencies of setting aside a certain 6 percentage of the dollar value of total procurements to be awarded 7 as set-aside contracts to qualified veteran business enterprises. 8 (cf: P.L.1985, c.482, s.2) 9 10 <sup>2</sup>3. Section 3 of P.L.1985, c.482 (C.40A:11-43) is amended to read as follows: 11 12 3. a. Any goal established pursuant to section 2 of this act may 13 be attained by requiring that a portion of a contract be 14 subcontracted to a qualified small business enterprise, qualified 15 veteran business enterprise, qualified minority business enterprise 16 or qualified women's business enterprise, in addition to designating 17 entire contracts to these enterprises. 18 b. Each contracting agency shall make a good faith effort to 19 attain any goal established by its governing body. The governing 20 body shall evaluate each contracting agency's efforts by comparing 21 the percentage of the dollar value of a contracting agency's total 22 procurements awarded to qualified small business enterprises, 23 qualified veteran business enterprises, qualified minority business 24 enterprises or qualified women's business enterprises, as 25 appropriate, to the percentage of the dollar value of the county's or municipality's total procurements awarded to qualified small 26 27 business enterprises, qualified veteran business enterprises, 28 qualified minority business enterprises or qualified women's 29 business enterprises, as appropriate.<sup>2</sup> 30 (cf: P.L.1985, c.482, s.3) 31 32 <sup>2</sup>4. Section 5 of P.L.1985, c.482 (C.40A:11-45) is amended to 33 read as follows: 34 5. Notwithstanding the provisions of any law to the contrary, a contracting agency of a county or municipality which has 35 36 established a qualified small business enterprise set-aside program, 37 a qualified veteran business enterprise set-aside program, a 38 qualified minority business enterprise set-aside program or a qualified women's business enterprise set-aside program shall 39 40 designate that a contract, subcontract or other means of 41 procurement of goods, services, equipment, or construction be 42 awarded to a qualified small business enterprise, a qualified veteran 43 business enterprise, a qualified minority business enterprise or a 44 qualified women's business enterprise, if a contracting agency is 45 likely to receive bids from at least two qualified small business enterprises, <u>qualified veteran business enterprises</u>, qualified 46

1 minority business enterprises or qualified women's business 2 enterprises, as appropriate, at a fair and reasonable price. 3 Such designations shall be made prior to any advertisement for 4 bids, if required. Once designated, the advertisement for bids, if 5 necessary, shall indicate that the contract to be awarded is a qualified small business enterprise set-aside contract, qualified 6 7 veteran business enterprise set-aside contract, a qualified minority 8 business enterprise set-aside contract or a qualified women's 9 business enterprise set-aside contract, as appropriate. A11 10 advertisements for bids shall be published in at least one newspaper 11 which will best provide notice thereof to qualified small business 12 enterprises, <u>qualified veteran business enterprises</u>, qualified 13 minority business enterprises or to qualified women's business 14 enterprises, as appropriate, sufficiently in advance of the date fixed 15 for receiving the bids to promote competitive bidding, but shall not be published less than 10 days prior to that date.<sup>2</sup> 16 17 (cf: P.L.1985, c.482, s.5) 18 19 <sup>2</sup>5. Section 6 of P.L.1985, c.482 (C.40A:11-46) is amended to 20 read as follows: 21 6. a. If the contracting agency determines that two bids from 22 qualified small, <u>qualified veteran</u>, qualified minority or qualified 23 women's businesses cannot be obtained, the contracting agency may 24 withdraw the designation of the set-aside contract and resolicit bids 25 on an unrestricted basis pursuant to the provisions of P.L. 1971, c. 26 198 (C. 40A:11-1 et seq.). The cancelled designation shall not be 27 considered in determining the percentage of contracts awarded 28 pursuant to subsection b. of section 3 of this act. 29 b. If the contracting agency determines that the acceptance of 30 the lowest responsible bid will result in the payment of an 31 unreasonable price, the contracting agency shall reject all bids and 32 withdraw the designation of the set-aside contract. Qualified small 33 business enterprises, <u>qualified veteran business enterprises</u>, 34 qualified minority business enterprises or qualified women's 35 business enterprises, as appropriate, shall be notified in writing of 36 the set-aside cancellation, the reasons for the rejection and the 37 agency's intent to resolicit bids on an unrestricted basis pursuant to 38 the provisions of P.L. 1971, c. 198 (C. 40A:11-1 et seq.). The 39 cancelled bid solicitation shall not be considered in determining the 40 percentage of contracts awarded pursuant to subsection b. of section 3 of this act.<sup>2</sup> 41 (cf: P.L.1985, c.482, s.6) 42 43 44 <sup>2</sup>6. Section 7 of P.L.1985, c.482 (C.40A:11-47) is amended to 45 read as follows: 46 7. Where the governing body of a county or municipality determines that a business has been classified as a qualified small 47

### **S527** [2R]

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business enterprise, qualified veteran business enterprise, qualified 1 2 minority business enterprise or qualified women's business 3 enterprise on the basis of false information knowingly supplied by 4 the business and has been awarded a contract to which it would not 5 otherwise have been entitled under this act, the governing body shall have the authority to: 6 7 Assess against the business any difference between the a. 8 contract and what the governing body's cost would have been if the 9 contract had not been awarded in accordance with the provisions of 10 this act: b. In addition to the amount due under subsection a., assess 11 12 against the business a penalty in an amount of not more than 10% of 13 the amount of the contract involved; and 14 c. Order the business ineligible to transact any business with 15 the governing body or contracting agency of the governing body for a period to be determined by the governing body. 16 17 Prior to any final determination, assessment or order under this 18 section, the governing body shall afford the business an opportunity for a hearing on the reasons for the imposition of the penalties set 19 forth in subsection a., b. or c. of this section.<sup>2</sup> 20 21 (cf: P.L.1985, c.482, s.7) 22 23 <sup>2</sup>7. Section 8 of P.L.1985, c.482 (C.40A:11-48) is amended to 24 read as follows: 25 8. Each contracting agency of a county or municipality which 26 has established a qualified small business enterprise set-aside 27 program, a qualified veteran business enterprise set-aside program, 28 a qualified minority business enterprise set-aside program or a 29 qualified women's business enterprise set-aside program shall 30 submit a report to its governing body by January 31 of each year 31 describing the agency's efforts in attaining the set-aside goals and 32 the percentage of the dollar value of total procurements awarded 33 pursuant to subsection b. of section 3 of this act. The governing 34 body shall publish a list of each agency's attainments in the 35 immediately preceding local fiscal year, to include the county or 36 municipal average, in at least one newspaper circulating in the 37 county or municipality, as appropriate, by March 1 of each year.<sup>2</sup> 38 (cf: P.L.1985, c.482, s.8) 39 40 <sup>2</sup>8. The Title of P.L.1985, c.482 is amended to read as follows: An act concerning the establishment of small, veteran, women, 41 42 and minority business enterprise set-aside programs in counties and municipalities.<sup>2</sup> 43 (cf: P.L.1985, c.482, Title) 44 45  $^{2}$ [3.] <u>9.</u><sup>2</sup> This act shall take effect immediately. 46

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- 3 Authorizes local public contract set-aside program for business
- 4 enterprises that are owned by or that employ veterans.

# SENATE, No. 527 STATE OF NEW JERSEY 215th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2012 SESSION

Sponsored by: Senator DONALD NORCROSS District 5 (Camden and Gloucester) Senator CHRISTOPHER J. CONNORS District 9 (Atlantic, Burlington and Ocean)

Co-Sponsored by: Senators Beach, Codey, Gordon, Turner, Whelan and A.R.Bucco

#### SYNOPSIS

Authorizes local public contract set-aside program for business enterprises that are owned by or that employ veterans.

## **CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel



#### **S527** NORCROSS, CONNORS

2

1 AN ACT concerning certain public contract set-aside programs and 2 amending P.L.1985, c.482. 3 4 BE IT ENACTED by the Senate and General Assembly of the State 5 of New Jersey: 6 7 1. Section 1 of P.L.1985, c.482 (C.40A:11-41) is amended to 8 read as follows: 9 As used in this act: 10 "County or municipal contracting agency" shall mean the a. 11 governing body of a county or municipality or any department, 12 board, commission, committee, authority or agency of a county or 13 municipality but shall not include school districts; 14 "Minority group members" shall mean persons who are b. 15 black, Hispanic, Portuguese, Asian-American, American Indian or 16 Alaskan natives; 17 c. "Qualified women's business enterprise" shall mean a 18 business which has its principal place of business in this State, is 19 independently owned and operated, is at least 51% owned and 20 controlled by women and is qualified pursuant to section 25 of P.L. 21 1971, c. 198 (C. 40A:11-25); 22 "Qualified minority business enterprise" shall mean a d. 23 business which has its principal place of business in this State, is 24 independently owned and operated, is at least 51% owned and 25 controlled by minority group members and is qualified pursuant to section 25 of P.L. 1971, c. 198 (C. 40A:11-25); 26 27 "Qualified small business enterprise" shall mean a business e. 28 which has its principal place of business in this State, is 29 independently owned and operated and meets all other 30 qualifications as may be established in accordance with P.L. 1981, 31 c. 283 (C. 52:27H-21.1 et seq.); 32 "Set-aside contracts" shall mean (1) a contract for goods, f. 33 equipment, construction, or services which is designated as a 34 contract for which bids are invited and accepted only from qualified 35 small business enterprises, qualified minority business enterprises 36 or qualified women's business enterprises, as appropriate, (2) a 37 portion of a contract when that portion has been so designated, or 38 (3) any other purchase or procurement so designated; and 39 "Total procurements" shall mean all purchases, contracts or g. 40 acquisitions of a county or municipal contracting agency, whether 41 by competitive bidding, single source contracting, or other method 42 of procurement, as prescribed or permitted by law; "Veteran" shall have the same meaning as set forth in 43 h. 44 subsection b. of N.J.S.11A:5-1, except that the veteran shall present

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 underlined <u>thus</u> is new matter.

3

to the Adjutant General of the Department of Military and Veterans' 1 2 Affairs sufficient evidence of a record of service and receive a 3 determination of status no later than the date established for the 4 submission of bids; 5 "Qualified veteran business enterprise" shall mean a i. business which has its principal place of business in this State, is 6 7 independently owned and operated, is at least 51% owned and 8 controlled by a veteran, or that agrees to hire veterans if additional 9 workers are required to perform the contract, and is qualified 10 pursuant to section 25 of P.L.1971, c.198 (C.40A:11-25). 11 (cf: P.L.1985, c.482, s.1) 12 13 2. Section 2 of P.L.1985, c.482 (C.40A:11-42) is amended to 14 read as follows: 15 2. a. The governing body of a county or municipality may, by 16 ordinance or resolution, as appropriate, establish a qualified 17 minority business enterprise set-aside program. In authorizing such 18 a program, the governing body of a county or municipality shall 19 establish a goal for its contracting agencies of setting aside a certain 20 percentage of the dollar value of total procurements to be awarded 21 as set-aside contracts to qualified minority business enterprises. 22 b. The governing body of a county or municipality may, by 23 ordinance or resolution, as appropriate, establish a qualified 24 women's business enterprise set-aside program. In authorizing such 25 a program, the governing body of a county or municipality shall 26 establish a goal for its contracting agencies of setting aside a certain 27 percentage of the dollar value of total procurements to be awarded 28 as set-aside contracts to qualified women's business enterprises. 29 The governing body of a county or municipality may, by c. 30 ordinance or resolution, as appropriate, establish a qualified small 31 business enterprise set-aside program. In authorizing such a 32 program, the governing body of a county or municipality shall 33 establish a goal for its contracting agencies of setting aside a certain 34 percentage of the dollar value of total procurements to be awarded 35 as set-aside contracts to qualified small business enterprises. 36 d. The governing body of a county or municipality may, by 37 ordinance or resolution, as appropriate, establish a qualified veteran 38 business enterprise set-aside program. In authorizing such a 39 program, the governing body of a county or municipality shall 40 establish a goal for its contracting agencies of setting aside a certain 41 percentage of the dollar value of total procurements to be awarded 42 as set-aside contracts to qualified veteran business enterprises. 43 (cf: P.L.1985, c.482, s.2) 44 45 3. This act shall take effect immediately.

#### **S527** NORCROSS, CONNORS

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## STATEMENT

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3 This bill provides that the governing body of a county or 4 municipality may, by ordinance or resolution, as appropriate, 5 establish a qualified veteran business enterprise set-aside program. 6 In authorizing such a program, the governing body of a county or 7 municipality shall establish a goal for its contracting agencies of 8 setting aside a certain percentage of the dollar value of total 9 procurements to be awarded as set-aside contracts to qualified 10 veteran business enterprises.

For the purposes of this bill, "qualified veteran business 11 12 enterprise" means a business which has its principal place of 13 business in this State, is independently owned and operated, is at 14 least 51% owned and controlled by a veteran, or that agrees to hire 15 veterans if additional workers are required to perform the contract, 16 and is qualified pursuant to section 25 of P.L.1971, c.198 17 (C.40A:11-25), which authorizes the governing body of any 18 contracting unit to establish reasonable regulations appropriate for 19 controlling the qualifications of prospective bidders upon contracts 20 to be awarded on behalf of a contracting unit. "Veteran" has the 21 same meaning as set forth in subsection b. of N.J.S.11A:5-1, which 22 sets forth all of the wars and conflicts in which one's service 23 qualifies for veteran status, except that the veteran shall present to 24 the Adjutant General of the Department of Military and Veterans' 25 Affairs sufficient evidence of a record of service and receive a 26 determination of status no later than the date set for the submission 27 of bids.

## SENATE MILITARY AND VETERANS' AFFAIRS COMMITTEE

## STATEMENT TO

## SENATE, No. 527

## STATE OF NEW JERSEY

## DATED: FEBRUARY 16, 2012

The Senate Military and Veterans' Affairs Committee reports favorably Senate Bill No. 527.

This bill provides that the governing body of a county or municipality may, by ordinance or resolution, as appropriate, establish a qualified veteran business enterprise set-aside program. In authorizing such a program, the governing body of a county or municipality shall establish a goal for its contracting agencies of setting aside a certain percentage of the dollar value of total procurements to be awarded as set-aside contracts to qualified veteran business enterprises.

For the purposes of this bill, "qualified veteran business enterprise" means a business which has its principal place of business in this State, is independently owned and operated, is at least 51% owned and controlled by a veteran, or that agrees to hire veterans if additional workers are required to perform the contract, and is qualified pursuant to section 25 of P.L.1971, c.198 (C.40A:11-25), which authorizes the governing body of any contracting unit to establish reasonable regulations appropriate for controlling the qualifications of prospective bidders upon contracts to be awarded on behalf of a contracting unit. "Veteran" has the same meaning as set forth in subsection b. of N.J.S.11A:5-1, which sets forth all of the wars and conflicts in which one's service qualifies for veteran status, except that the veteran shall present to the Adjutant General of the Department of Military and Veterans' Affairs sufficient evidence of a record of service and receive a determination of status no later than the date set for the submission of bids.

This bill was pre-filed for introduction in the 2012-2013 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

## ASSEMBLY MILITARY AND VETERANS' AFFAIRS COMMITTEE

## STATEMENT TO

## SENATE, No. 527

with committee amendments

## STATE OF NEW JERSEY

#### DATED: SEPTEMBER 27, 2012

The Assembly Military and Veterans' Affairs Committee reports favorably and with committee amendments Senate, No. 527.

As amended, this bill provides that the governing body of a county or municipality may, by ordinance or resolution, as appropriate, establish a qualified veteran business enterprise set-aside program. In authorizing such a program, the governing body of a county or municipality must establish a goal for its contracting agencies of setting aside a certain percentage of the dollar value of total procurements to be awarded as set-aside contracts to qualified veteran business enterprises.

For the purposes of this bill, "qualified veteran business enterprise" means a business that has its principal place of business in this State, is independently owned and operated, is at least 51% owned and controlled by a veteran, or that agrees to hire veterans, equaling at least twenty five percent of the required workforce for the contract, if additional workers are required to perform the contract, and is qualified pursuant to section 25 of P.L.1971, c.198 (C.40A:11-25), which authorizes the governing body of any contracting unit to establish reasonable regulations appropriate for controlling the qualifications of prospective bidders upon contracts to be awarded on behalf of a contracting unit. The business must submit forms quarterly to the contracting agency showing proof of veteran status of all the veteran employees. "Veteran" has the same meaning as set forth in subsection b. of N.J.S.11A:5-1, which sets forth all of the wars and conflicts in which one's service qualifies for veteran status, except that the veteran will also present to the Adjutant General of the Department of Military and Veterans' Affairs sufficient evidence of a record of service and receive a determination of status no later than the date set for the submission of bids.

This bill is identical to Assembly, No. 1133 (1R) of 2012.

## COMMITTEE AMENDMENTS

The committee amended the bill to require any new or existing veteran employees to equal at least twenty five percent of the required workforce for the contract for the business to qualify for the set-aside program, and the business to submit forms quarterly to the contracting agency showing proof of veteran status for the veteran employees.

## STATEMENT TO

# [First Reprint] **SENATE, No. 527**

with committee amendments

## STATE OF NEW JERSEY

### DATED: DECEMBER 13, 2012

The Assembly Appropriations Committee reports favorably Senate Bill No. 527 (1R), with committee amendments.

As amended, this bill provides that the governing body of a county or municipality may, by ordinance or resolution, as appropriate, establish a qualified veteran business enterprise set-aside program. In authorizing such a program, the governing body of a county or municipality must establish a goal for its contracting agencies of setting aside a certain percentage of the dollar value of total procurements to be awarded as set-aside contracts to qualified veteran business enterprises.

For the purposes of this bill, "qualified veteran business enterprise" means a business that has its principal place of business in this State, is independently owned and operated, is at least 51% owned and controlled by a veteran, or wherein at least twenty five percent of the required workforce for the contract, including new hires if additional workers are required to perform the contract, are veterans, and is qualified pursuant to section 25 of P.L.1971, c.198 (C.40A:11-25) (which authorizes the governing body of any contracting unit to establish reasonable regulations appropriate for controlling the qualifications of prospective bidders upon contracts to be awarded on behalf of a contracting unit). The business must submit forms quarterly to the contracting agency showing proof of veteran status of all the veteran employees. "Veteran" has the same meaning as set forth in subsection b. of N.J.S.11A:5-1, which sets forth all of the wars and conflicts in which one's service qualifies for veteran status, except that the veteran will also present to the Adjutant General of the Department of Military and Veterans' Affairs sufficient evidence of a record of service and receive a determination of status no later than the date set for the submission of bids.

As amended and reported by the committee, this bill is identical to Assembly Bill No 1133 (2R).

#### FISCAL IMPACT:

This bill was not certified as requiring a fiscal note.

## **COMMITTEE AMENDMENTS:**

The amendments add reference to a "qualified veteran business enterprise set-aside program" to certain statutory sections governing county and municipal set-aside programs. The amendments modify the definition of "qualified veteran business enterprise" to clarify its meaning. The amendments also make technical corrections.

# ASSEMBLY, No. 1133 **STATE OF NEW JERSEY** 215th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2012 SESSION

Sponsored by: Assemblyman ANGEL FUENTES District 5 (Camden and Gloucester) Assemblyman GILBERT ''WHIP'' L. WILSON District 5 (Camden and Gloucester) Assemblyman HERB CONAWAY, JR. District 7 (Burlington) Assemblywoman CLEOPATRA G. TUCKER District 28 (Essex)

Co-Sponsored by: Assemblyman Rumpf, Assemblywoman Gove, Assemblymen DeAngelo, Amodeo, C.A.Brown and Singleton

### **SYNOPSIS**

Authorizes local public contract set-aside program for business enterprises that are owned by or that employ veterans.

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### **CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel



(Sponsorship Updated As Of: 9/28/2012)

#### A1133 FUENTES, WILSON

2

1 AN ACT concerning certain public contract set-aside programs and 2 amending P.L.1985, c.482. 3 4 BE IT ENACTED by the Senate and General Assembly of the State 5 of New Jersey: 6 7 1. Section 1 of P.L.1985, c.482 (C.40A:11-41) is amended to 8 read as follows: 9 As used in this act: 10 "County or municipal contracting agency" shall mean the a. 11 governing body of a county or municipality or any department, 12 board, commission, committee, authority or agency of a county or 13 municipality but shall not include school districts; 14 "Minority group members" shall mean persons who are b. 15 black, Hispanic, Portuguese, Asian-American, American Indian or 16 Alaskan natives; 17 c. "Qualified women's business enterprise" shall mean a 18 business which has its principal place of business in this State, is 19 independently owned and operated, is at least 51% owned and 20 controlled by women and is qualified pursuant to section 25 of P.L. 21 1971, c. 198 (C. 40A:11-25); 22 "Qualified minority business enterprise" shall mean a d. 23 business which has its principal place of business in this State, is 24 independently owned and operated, is at least 51% owned and 25 controlled by minority group members and is qualified pursuant to section 25 of P.L. 1971, c. 198 (C. 40A:11-25); 26 27 "Qualified small business enterprise" shall mean a business e. 28 which has its principal place of business in this State, is 29 independently owned and operated and meets all other 30 qualifications as may be established in accordance with P.L. 1981, 31 c. 283 (C. 52:27H-21.1 et seq.); 32 "Set-aside contracts" shall mean (1) a contract for goods, f. 33 equipment, construction, or services which is designated as a 34 contract for which bids are invited and accepted only from qualified 35 small business enterprises, qualified minority business enterprises 36 or qualified women's business enterprises, as appropriate, (2) a 37 portion of a contract when that portion has been so designated, or 38 (3) any other purchase or procurement so designated; and 39 "Total procurements" shall mean all purchases, contracts or g. 40 acquisitions of a county or municipal contracting agency, whether 41 by competitive bidding, single source contracting, or other method 42 of procurement, as prescribed or permitted by law; "Veteran" shall have the same meaning as set forth in 43 h. 44 subsection b. of N.J.S.11A:5-1, except that the veteran shall present

Matter underlined <u>thus</u> is new matter.

EXPLANATION – Matter enclosed in **bold-faced brackets** [thus] in the above bill is not enacted and is intended to be omitted in the law.

to the Adjutant General of the Department of Military and Veterans' 1 2 Affairs sufficient evidence of a record of service and receive a 3 determination of status no later than the date established for the 4 submission of bids; 5 "Qualified veteran business enterprise" shall mean a i. business which has its principal place of business in this State, is 6 7 independently owned and operated, is at least 51% owned and 8 controlled by a veteran, or that agrees to hire veterans if additional 9 workers are required to perform the contract, and is qualified 10 pursuant to section 25 of P.L.1971, c.198 (C.40A:11-25). 11 (cf: P.L.1985, c.482, s.1) 12 13 2. Section 2 of P.L.1985, c.482 (C.40A:11-42) is amended to 14 read as follows: 15 2. a. The governing body of a county or municipality may, by 16 ordinance or resolution, as appropriate, establish a qualified 17 minority business enterprise set-aside program. In authorizing such 18 a program, the governing body of a county or municipality shall 19 establish a goal for its contracting agencies of setting aside a certain 20 percentage of the dollar value of total procurements to be awarded 21 as set-aside contracts to qualified minority business enterprises. 22 b. The governing body of a county or municipality may, by 23 ordinance or resolution, as appropriate, establish a qualified 24 women's business enterprise set-aside program. In authorizing such 25 a program, the governing body of a county or municipality shall 26 establish a goal for its contracting agencies of setting aside a certain 27 percentage of the dollar value of total procurements to be awarded 28 as set-aside contracts to qualified women's business enterprises. 29 The governing body of a county or municipality may, by c. 30 ordinance or resolution, as appropriate, establish a qualified small 31 business enterprise set-aside program. In authorizing such a 32 program, the governing body of a county or municipality shall 33 establish a goal for its contracting agencies of setting aside a certain 34 percentage of the dollar value of total procurements to be awarded 35 as set-aside contracts to qualified small business enterprises. 36 d. The governing body of a county or municipality may, by 37 ordinance or resolution, as appropriate, establish a qualified veteran 38 business enterprise set-aside program. In authorizing such a 39 program, the governing body of a county or municipality shall establish a goal for its contracting agencies of setting aside a certain 40 41 percentage of the dollar value of total procurements to be awarded 42 as set-aside contracts to qualified veteran business enterprises. 43 (cf: P.L.1985, c.482, s.2) 44

45

3. This act shall take effect immediately.

#### A1133 FUENTES, WILSON

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## STATEMENT

1 2

3 This bill provides that the governing body of a county or 4 municipality may, by ordinance or resolution, as appropriate, 5 establish a qualified veteran business enterprise set-aside program. 6 In authorizing such a program, the governing body of a county or 7 municipality shall establish a goal for its contracting agencies of 8 setting aside a certain percentage of the dollar value of total 9 procurements to be awarded as set-aside contracts to qualified 10 veteran business enterprises.

For the purposes of this bill, "qualified veteran business 11 12 enterprise" means a business which has its principal place of 13 business in this State, is independently owned and operated, is at 14 least 51% owned and controlled by a veteran, or that agrees to hire 15 veterans if additional workers are required to perform the contract, 16 and is qualified pursuant to section 25 of P.L.1971, c.198 17 (C.40A:11-25), which authorizes the governing body of any 18 contracting unit to establish reasonable regulations appropriate for 19 controlling the qualifications of prospective bidders upon contracts 20 to be awarded on behalf of a contracting unit. "Veteran" has the 21 same meaning as set forth in subsection b. of N.J.S.11A:5-1, which 22 sets forth all of the wars and conflicts in which one's service 23 qualifies for veteran status, except that the veteran shall present to 24 the Adjutant General of the Department of Military and Veterans' 25 Affairs sufficient evidence of a record of service and receive a 26 determination of status no later than the date set for the submission 27 of bids.

## ASSEMBLY MILITARY AND VETERANS' AFFAIRS COMMITTEE

## STATEMENT TO

## ASSEMBLY, No. 1133

with committee amendments

## STATE OF NEW JERSEY

#### DATED: SEPTEMBER 27, 2012

The Assembly Military and Veterans' Affairs Committee reports favorably and with committee amendments Assembly, No. 1133.

As amended, this bill provides that the governing body of a county or municipality may, by ordinance or resolution, as appropriate, establish a qualified veteran business enterprise set-aside program. In authorizing such a program, the governing body of a county or municipality must establish a goal for its contracting agencies of setting aside a certain percentage of the dollar value of total procurements to be awarded as set-aside contracts to qualified veteran business enterprises.

For the purposes of this bill, "qualified veteran business enterprise" means a business that has its principal place of business in this State, is independently owned and operated, is at least 51% owned and controlled by a veteran, or that agrees to hire veterans, equaling at least twenty five percent of the required workforce for the contract, if additional workers are required to perform the contract, and is qualified pursuant to section 25 of P.L.1971, c.198 (C.40A:11-25), which authorizes the governing body of any contracting unit to establish reasonable regulations appropriate for controlling the qualifications of prospective bidders upon contracts to be awarded on behalf of a contracting unit. The business must submit forms quarterly to the contracting agency showing proof of veteran status of all the veteran employees. "Veteran" has the same meaning as set forth in subsection b. of N.J.S.11A:5-1, which sets forth all of the wars and conflicts in which one's service qualifies for veteran status, except that the veteran will also present to the Adjutant General of the Department of Military and Veterans' Affairs sufficient evidence of a record of service and receive a determination of status no later than the date set for the submission of bids.

This bill is identical to Senate, No. 527 (1R) of 2012.

This bill was pre-filed for introduction in the 2012-2013 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

## COMMITTEE AMENDMENTS

The committee amended the bill to require any new or existing veteran employees to equal at least twenty five percent of the required workforce for the contract for the business to qualify for the set-aside program, and the business to submit forms quarterly to the contracting agency showing proof of veteran status for the veteran employees.

## STATEMENT TO

## [First Reprint] ASSEMBLY, No. 1133

with Assembly Floor Amendments (Proposed by Assemblyman FUENTES)

ADOPTED: DECEMBER 3, 2012

This Assembly floor amendment adds reference to a "qualified veteran business enterprise set-aside program" to certain statutory sections governing county and municipal set-aside programs. The amendment also modifies the definition of "qualified veteran business enterprise" to clarify its meaning.