

18A:39-2 and 18A:39-3

LEGISLATIVE HISTORY CHECKLIST

(School transportation - bidding threshold raised)

NJSA 18A:39-2 and 18A:39-3

LAWS 1982 CHAPTER 74

Bill No. S1192

Sponsor(s) McManimon and Dumont

Date Introduced March 15, 1982

Committee: Assembly Education

Senate Education

Amended during passage Yes ~~XXX~~

Substituted for A1077 (not attached since identical to S1192) Amendments during passage denoted by asterisks.

Date of Passage: Assembly July 8, 1982

Senate June 3, 1982

Date of approval July 21, 1982

Following statements are attached if available:

Sponsor statement Yes ~~XXX~~

Committee Statement: Assembly Yes ~~XXX~~

Senate Yes ~~XXX~~

Fiscal Note ~~Yes~~ No

Veto Message ~~Yes~~ No

Message on signing ~~Yes~~ No

Following were printed:

Reports ~~Yes~~ No

Hearings ~~Yes~~ No

6/22/81

PP

74 7-21-82 82
[OFFICIAL COPY REPRINT]
SENATE, No. 1192

STATE OF NEW JERSEY

INTRODUCED MARCH 15, 1982

By Senators McMANIMON and DUMONT

Referred to Committee on Education

AN ACT increasing the minimum dollar amount of certain contracts requiring public advertising procedure and amending N. J. S. 18A:39-2 and N. J. S. 18A:39-3.

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

1 1. N. J. S. 18A:39-3 is amended to read as follows:

2 18A:39-3. No contract for the transportation of pupils to and
3 from school shall be made, when the amount to be paid during the
4 school year for such transportation shall exceed **[\$2,500.00]**
5 *\$4,500.00* and have the approval of the county superintendent of
6 schools, unless the board of education making such contract shall
7 have first publicly advertised for bids therefor in a newspaper
8 published in the district or, if no newspaper is published therein,
9 in a newspaper circulating in the district once, at least 10 days
10 prior to the date fixed for receiving proposals for such trans-
11 portation, and shall have awarded the contract to the lowest
12 responsible bidder.

13 Nothing in this chapter shall require the advertisement and let-
14 ting on proposals or bids of annual extensions, approved by the
15 county superintendent, of any contract for transportation entered
16 into through competitive bidding when—

17 (a) Such annual extensions impose no additional cost upon the
18 board of education; or

19 (b) **[**The original contract was entered into prior to May 14, 1942
20 and the**]** *The* increase in the original contractual amount as a result
21 of such extensions does not exceed 30% thereof**[; or]** **except in*

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 May 10, 1982.**

21A cases where a student rider is newly assigned to a route during the
 21B school year and extra mileage is necessary. Any such arrangement
 21C shall be approved by the county superintendent of schools and shall
 21D be bid for the next school year*.

22 (c) ~~【The original contract was entered into on or subsequent to~~
 23 May 14, 1942 and the increase in the original contractual amount
 24 as a result of such extensions does not exceed 20% thereof.】 (*De-*
 25 *leted by amendment*).

1 2. N. J. S. 18A:39-2 is amended to read as follows:

2 18A:39-2. Any board of education having power to provide for
 3 the transportation of school pupils in its district to and from
 4 school may provide such transportation by a bus or buses owned
 5 by it or may enter into contract for such transportation, approved
 6 by the county superintendent, for a term not exceeding 4 years.

7 All multiyear contracts made pursuant to the above taking
 8 effect subsequent to September 1, 1975 may, at the discretion of
 9 the local board of education, and subject to approval by the county
 10 superintendent, be increased not to exceed ~~【5%】~~ 7½% annually
 11 of the original yearly contract cost beginning with the second year
 12 of the contract.

1 3. This act shall take effect immediately.

22 (c) ~~【The original contract was entered into on or subsequent to~~
 23 ~~May 14, 1942 and the increase in the original contractual amount~~
 24 ~~as a result of such extensions does not exceed 20% thereof.】~~ (*De-*
 25 *leted by amendment*).

1 2. N. J. S. 18A:39-2 is amended to read as follows:

2 18A:39-2. Any board of education having power to provide for
 3 the transportation of school pupils in its district to and from
 4 school may provide such transportation by a bus or buses owned
 5 by it or may enter into contract for such transportation, approved
 6 by the county superintendent, for a term not exceeding 4 years.

7 All multiyear contracts made pursuant to the above taking
 8 effect subsequent to September 1, 1975 may, at the discretion of
 9 the local board of education, and subject to approval by the county
 10 superintendent, be increased not to exceed ~~【5%】~~ 7½% annually
 11 of the original yearly contract cost beginning with the second year
 12 of the contract.

1 3. This act shall take effect immediately.

STATEMENT

This bill amends N. J. S. 18A:39-3 to allow a board of education to enter into a contract for the transportation of pupils to and from school without public bidding if the contract cost is \$4,500.00 or less. The current law requires that a contract in excess of \$2,500.00 be subject to formal bidding requirements. The bill would also allow a board of education to extend an existing contract, if the contract cost of the extended contract does not exceed the contract cost of the last contract by more than 30%. In addition, the bill amends N. J. S. 18A:39-2 to provide that multiyear transportation contracts may provide for an increase not to exceed 7½% annually of the original yearly contract cost beginning with the second year of the contract. The current law provides that the contract cost of an extended contract may not exceed 20% of the original contract cost and that multiyear contracts may provide for an annual increase of 5% of the original yearly contract beginning with the second year of the contract.

The \$4,500.00 limit is consistent with recent amendments to the "Local Public Contracts Law" (C. 40A:11-1 et seq.) and the "Public Schools Contracts Law" (C. 18A:18A-1 et seq.) which allow counties, municipalities and school districts to enter contracts without formal bidding, if the contract cost is \$4,500.00 or less.

S1192(1982)

ASSEMBLY EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 1192

[OFFICIAL COPY REPRINT]

STATE OF NEW JERSEY

DATED: JULY 8, 1982

The Assembly Education Committee favorably reports this bill and endorses the Statement of the Senate Education Committee which is as follows:

PROVISIONS:

This bill would allow a board of education to enter into a contract for pupil transportation without public bidding if the cost of the contract is \$4,500.00 or less. It also allows a board of education to extend an existing contract if the cost of the extension is not more than 30% greater than that contract. Further, it provides that a multiyear contract may not increase more than 7½% annually.

BACKGROUND:

Under current law, a contract extension may not exceed 20% of the original contract cost, and multiyear contracts may provide for an annual increase of 5% of the original contract.

Also, the current law requires that a contract in excess of \$2,500.00 must be subject to formal bidding requirements.

The \$4,500.00 limit is consistent with recent amendments to the "Local Public Contracts Law" (C. 40A:11-1 et seq.) and the "Public Schools Contracts Law" (C. 18A:18A-1 et seq.) which allow counties, municipalities and school districts to enter contracts without formal bidding, if the contract cost is \$4,500.00 or less.

COMMITTEE AMENDMENTS:

The committee has amended this bill to provide that when a new student is assigned to a bus route, the district can add that student even if this would result in an increase of more than 30%. This represents an emergency situation and would be for one year only. After that the contract would have to be rebid. The county superintendent of schools would have to approve the arrangement.

SENATE EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 1192

with Senate committee amendments

STATE OF NEW JERSEY

DATED: MAY 10, 1982

PROVISIONS:

This bill would allow a board of education to enter into a contract for pupil transportation without public bidding if the cost of the contract is \$4,500.00 or less. It also allows a board of education to extend an existing contract if the cost of the extension is not more than 30% greater than that contract. Further, it provides that a multiyear contract may not increase more than 7½% annually.

BACKGROUND:

Under current law, a contract extension may not exceed 20% of the original contract cost, and multiyear contracts may provide for an annual increase of 5% of the original contract.

Also, the current law requires that a contract in excess of \$2,500.00 must be subject to formal bidding requirements.

The \$4,500.00 limit is consistent with recent amendments to the "Local Public Contracts Law" (C. 40A:11-1 et seq.) and the "Public Schools Contracts Law" (C. 18A:18A-1 et seq.) which allow counties, municipalities and school districts to enter contracts without formal bidding, if the contract cost is \$4,500.00 or less.

COMMITTEE AMENDMENTS:

The committee has amended this bill to provide that when a new student is assigned to a bus route, the district can add that student even if this would result in an increase of more than 30%. This represents an emergency situation and would be for one year only. After that the contract would have to be rebid. The county superintendent of schools would have to approve the arrangement.