

18A: 18A-14.1 to 18A: 18A-14.5

LEGISLATIVE HISTORY CHECKLIST

NJSA 18A:18A-14.1 to 18A:18A-14.5; 18A:18A-5 (Schools--electronic data processing equipment - permit joint contracts)

LAWS 1982 CHAPTER 161

Bill No. A273

Sponsor(s) Kern

Date Introduced Pre-filed

Committee: Assembly Education

Senate Education

Amended during passage Yes ~~No~~ Amendments during passage denoted by asterisks

Date of Passage: Assembly March 15, 1982

Senate Sept. 23, 1982

Date of approval Oct. 28, 1982

Following statements are attached if available:

Sponsor statement Yes ~~No~~

Committee Statement: Assembly Yes ~~No~~

Senate Yes ~~No~~

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

[OFFICIAL COPY REPRINT]
ASSEMBLY, No. 273

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1982 SESSION

By Assemblyman KERN

AN ACT concerning electronic data processing contracts*, *amending*
*N. J. S. 18A:18A-5** and supplementing ***[**the "Public School
Contracts Law," approved June 2, 1977 (P. L. 1977, c. 114; C.
18A-1 et seq.)**]*** *chapter 18A of Title 18A of the New Jersey*
*Statutes**.

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

1 1. As used in this act "electronic data processing" means the
2 storage, retrieval, combination or collation of items of information
3 by means of electronic equipment involving the translation of
4 words, numbers and other symbolic elements into electrical
5 impulses or currents.

1 2. a. Any board of education may by contract or lease provide
2 electronic data processing services for the board of education of
3 another school district, and may undertake with such other board
4 of education the joint operation of electronic data processing of
5 their several official records and other information relative to their
6 official activities, services and responsibilities.

7 b. The records and other information originating with any board
8 of education participating in such a contract or lease may be com-
9 bined, compiled, and conjoined with the records and other informa-
10 tion of any and all other participating local units for the purposes
11 of such electronic data processing; and any provisions of law
12 requiring such records to be kept confidential or to be retained by
13 any board of education or any officer or agency thereof shall be
14 deemed to be isolated thereby.

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 March 1, 1982.

1 3. A contract or lease entered into pursuant to this act shall set
2 forth the charge for all services provided, or in the case of a joint
3 undertaking the proportion of the cost each party thereto shall
4 assume and specify all the details of the management of the joint
5 undertaking, and any other matters that may be deemed necessary
6 for insertion therein, and may be amended from time to time by the
7 contracting parties.

1 4. For the purpose of carrying into execution a contract or lease
2 for a joint enterprise under this act, any party to such contract may
3 act as agent for any or all the parties in acquiring, by lease,
4 purchase or otherwise, any property, facilities or services, in
5 appointing such officers and employees as may be necessary and
6 directing its activities, to the same extent as a board of education
7 is authorized to do separately.

1 *5. N. J. S. 18A:18A-5 is amended to read as follows:

2 18A:18A-5. Exceptions to requirement for advertising. Any
3 purchase, contract or agreement of the character described in
4 N. J. S. 18A:18A-4 may be made, negotiated or awarded by the
5 board of education by resolution at a public meeting without public
6 advertising for bids and bidding therefor if

7 a. The subject matter thereof consists of:

8 (1) Professional services;

9 (2) Extraordinary unspecifiable services which cannot reason-
10 ably be described by written specifications, which exception as to
11 extraordinary unspecifiable services shall be construed narrowly in
12 favor of open competitive bidding where possible and the State
13 Board of Education is authorized to establish rules and regula-
14 tions limiting its use in accordance with the intention herein
15 expressed; and the board of education shall in each instance state
16 supporting reasons for its action in the resolution awarding the
17 contract for extraordinary unspecifiable services;

18 (3) The doing of any work by employees of the contracting unit;

19 (4) The printing of all legal notices; and legal briefs, records
20 and appendices to be used in any legal proceeding in which the
21 contracting party may be a party;

22 (5) Textbooks, copyrighted materials, kindergarten supplies,
23 and student produced publications and services incidental thereto;

24 (6) Food supplies, including food supplies for home economic
25 classes, when purchased pursuant to rules and regulations of the
26 State board and in accordance with the provisions of N. J. S.
27 18A:18A-6;

28 (7) The supplying of any product or the rendering of any service
29 by a public utility, which is subject to the jurisdiction of the Board

30 of Public Utility Commissioners, in accordance with tariffs and
31 schedules of charges made, charged and exacted, filed with said
32 board;

33 (8) The printing of bonds and documents necessary to the issu-
34 ance and sale thereof by a board of education;

35 (9) Equipment repair service if in the nature of an extraordinary
36 unspecifiable service and necessary parts furnished in connection
37 with such services;

38 (10) Insurance, including the purchase of insurance coverage
39 and consultant services;

40 (11) Publishing of legal notices in newspapers as required by
41 law;

42 (12) The acquisition of artifacts or other items of unique,
43 intrinsic, artistic or historic character;

44 (13) Election expenses, including advertising expenses incidental
45 thereto[.];

46 (14) *Electronic data processing service obtained from another*
47 *board of education.*

48 b. It is to be made or entered into with the United States of
49 America, the State of New Jersey, county or municipality or any
50 board, body, officer, agency or authority or any other state or sub-
51 division thereof.

52 c. The board of education has advertised for bids pursuant to
53 N. J. S. 18A:18A-4 on two occasions and has received no bids in
54 response to its advertisement and, after reasonable inquiry, it is
55 determined that no board, body, officer, agency or authority of the
56 United States, or of the State of New Jersey or of any county or
57 municipality in which the board of education is located is willing
58 and able to perform any work or furnish or hire any materials or
59 supplies in conformity with the specifications of the board of
60 education. Any such contract or agreement entered into pursuant
61 to this subsection c. may be made, negotiated or awarded only upon
62 adoption of a resolution by the affirmative vote of two-thirds of
63 the full membership of the board of education at a meeting thereof
64 authorizing such a contract or agreement. Any amendment or
65 modification of the terms, conditions, restrictions and specifications
66 which were the subject of the competitive bidding pursuant to
67 N. J. S. 18A:18A-4 shall be stated in the resolution awarding the
68 contract.

69 d. The board of education has advertised for bids pursuant to
70 N. J. S. 18A:18A-4 on two occasions and has rejected such bids on
71 each occasion because the board of education has determined that
72 they are not reasonable as to price on the basis of cost estimates

73 prepared for the board of education prior to the advertising
74 therefor or have not been independently arrived at in open compe-
75 tition, but no such contract or agreement may be entered into after
76 such rejection of bids, unless:

77 (1) Notification of the intention to negotiate and a reasonable
78 opportunity to negotiate shall have been given by the board of
79 education to each responsible bidder;

80 (2) The negotiated price is lower than the lowest rejected bid
81 price of a responsible bidder who bid thereon and is the lowest
82 negotiated price offered by any responsible supplier and is a rea-
83 sonable price for such work, materials, supplies or services;

84 (3) Any amendment or modification of the terms, conditions,
85 restrictions and specifications which were the subject of competitive
86 bidding pursuant to N. J. S. 18A:18A-4 shall be stated in the reso-
87 lution awarding the contract; and

88 (4) The negotiated price is lower than the price of the same or
89 equivalent materials or supplies available from the State, county
90 or municipality in which the board of education is located.

91 Whenever a board of education shall determine that a bid was
92 not arrived at independently in open competition pursuant to this
93 subsection 4 of N. J. S. 18A:18A-5, it shall thereupon notify the
94 county prosecutor of the county in which the board of education is
95 located and the Attorney General of the facts upon which its
96 determination is based, and when appropriate, it may institute
97 appropriate proceedings in any State or federal court of compe-
98 tent jurisdiction for a violation of any State or federal antitrust
99 law or laws relating to the unlawful restraint of trade.

100 Any such contract or agreement entered into pursuant to this
101 subsection d. may be made, negotiated or awarded only upon adop-
102 tion of a resolution by the affirmative vote of two-thirds of the full
103 membership of the board of education at a meeting thereof au-
104 thorizing such a contract or agreement.*

1 ***[5.]*** *6.* This act shall take effect immediately.

1 4. For the purpose of carrying into execution a contract or lease
2 for a joint enterprise under this act, any party to such contract may
3 act as agent for any or all the parties in acquiring, by lease,
4 purchase or otherwise, any property, facilities or services, in
5 appointing such officers and employees as may be necessary and
6 directing its activities, to the same extent as a board of education
7 is authorized to do separately.

1 5. This act shall take effect immediately.

STATEMENT

This bill authorizes boards of education to enter into contracts for the joint operation of electronic data processing facilities, and it also allows a board to lease the use of its computer facilities to another board of education. It is expected that such authorizations will greatly reduce the cost of acquiring and operating computer facilities presently incurred by the various boards of education. This bill supplements the "Public School Contracts Law" P. L. 1977, c. 144 (C. 18A:18A-1 et seq.) and all the definitions and provisions contained in that law will apply unless specifically contrary thereto.

A273(1982)

ASSEMBLY EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 273

STATE OF NEW JERSEY

DATED: MARCH 1, 1982

PROVISIONS:

Assembly Bill No. 273 authorizes boards of education to enter into contracts with other boards of education for the joint operation of electronic data processing facilities. In addition, Assembly Bill No. 273 permits a board to lease the use of its computer services to another board of education.

BACKGROUND:

Currently, local boards of education are not authorized to enter into contracts with other districts for the acquisition and joint operations of electronic data processing facilities. Nor are local boards authorized to lease electronic data processing services from another district without complying with the bidding requirement of the Public Contracts Law.

Assembly Bill No. 273 authorizes local districts to jointly acquire and operate computer facilities and authorizes local boards to acquire services from other districts, but, as originally drafted, does not exempt the acquisition of such services from the "bidding" requirement of the Public Contracts Law.

The Assembly Education Committee endorses this bill and especially the committee amendment that exempts school districts from the bidding requirement in instances where one board seeks to lease electronic data processing services from another district that owns such facilities.

SENATE EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 273

[OFFICIAL COPY REPRINT]

STATE OF NEW JERSEY

DATED: JULY 22, 1982

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

PROVISIONS:

Assembly Bill No. 273 authorizes boards of education to enter into contracts with other boards of education for the joint operation of electronic data processing facilities. In addition, Assembly Bill No. 273 permits a board to lease the use of its computer services to another board of education.

BACKGROUND:

Currently, local boards of education are not authorized to enter into contracts with other districts for the acquisition and joint operations of electronic data processing facilities. Nor are local boards authorized to lease electronic data processing services from another district without complying with the bidding requirement of the Public Contracts Law.

Assembly Bill No. 273 authorizes local districts to jointly acquire and operate computer facilities and authorizes local boards to acquire services from other districts, but, as originally drafted, does not exempt the acquisition of such services from the "bidding" requirement of the Public Contracts Law.

The Assembly Education Committee endorses this bill and especially the committee amendment that exempts school districts from the bidding requirement in instances where one board seeks to lease electronic data processing services from another district that owns such facilities.