

R.S. 40A: 11-12.1 to 12.6

LEGISLATIVE FACT SHEET

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ON

N.J.R.S. 40A:11-12.1 to 12.6

Authorize local units to enter into contracts for joint operation of electronic data processing. Amendment)

LAWS OF 1972

CHAPTER 112 7/27/72

SENATE

ASSEMBLY 574

INTRODUCED

BY Hawkins and 11 others

STATEMENT

YES NO xxx

AMENDED DURING PASSAGE

YES xxx NO

HEARING see "Background" below

VETO no

For Background information see:

974.90 New Jersey. County and Municipal Government Study  
M966 Commission. Fifth Report: "Consolidation: Prospects  
1972 and Problems." Feb. 1972.

974.90 New Jersey, Legislature. Public Hearing on Local Public Contract  
M966 Law before Senate, County and Municipal Government  
1972d Committee, April 4, 1972.

974.90 N.J. Dept. of Community Affairs. Div. of Local Government  
M966 Services. Bureau of Local Management Services.  
1971f Local Public Contract Guidelines, App. 10/18/71.

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ASSEMBLY, No. 574

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STATE OF NEW JERSEY

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INTRODUCED FEBRUARY 7, 1972

By Assemblymen HAWKINS, HORN, FLORIO, IMPERIALE, VEIT,  
Assemblywoman KLEIN, Assemblymen JACKMAN, APY,  
KENNEDY, DE KORTE, PERSKIE and HICKS

Referred to Committee on Municipal Government

AN ACT authorizing local units to enter into contracts for joint  
operation of electronic data processing, and supplementing chap-  
ter 48 of Title 40 of the Revised 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, except as otherwise clearly indicated or  
2 required by the context:

3 a. "local unit" means a county, municipality, school district,  
4 regional school district, \**vocational school district, community*  
5 *college,\** authority, or other governmental instrumentality of this  
5A State;

6 b. "governing body" means the board of chosen freeholders of  
7 a county or the council, commission, committee or other board or  
8 body, by whatever name designated, having control of the finances  
9 of a municipality; and in the case of any local unit having a chief  
10 executive officer authorized by law to participate in such control  
11 through recommendation, approval or veto, includes such officer  
12 to the extent of such participation;

13 c. "electronic data processing" means the storage, retrieval,  
14 combination or collation of items of information by means of  
15 electronic equipment involving the translation of words, numbers  
16 and other symbolic elements into electrical impulses or currents;

17 d. "operate" and "operation" mean the acquisition, construc-  
18 tion, management and administration of any lands, public improve-  
19 ments, works, facilities, services or undertakings.

1 2. a. The governing body of any local unit may by contract  
2 provide electronic data processing services for another governing  
3 body or bodies of any other local unit or units, undertake with

4 such other local unit or units the joint operation of electronic data  
5 processing of their several official records and other informa-  
6 tion relative to their governmental activities, services and  
7 responsibilities.

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

1 3. A contract entered into pursuant to this act shall set forth the  
2 charge for all services provided, or in the case of a joint under-  
3 taking the proportion of the cost each party thereto shall assume  
4 and specify all the details of the management of the joint under-  
5 taking, and any other matters that may be deemed necessary for  
6 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 for a  
2 joint enterprise under this act, any local unit party to such contract  
3 may act as agent for any or all the parties in acquiring, by lease,  
4 purchase or otherwise, any property, facilities or services, in ap-  
5 pointing such officers and employees as may be necessary and  
6 directing its activities, to the same extent as a local unit is au-  
7 thorized to do separately.

1 5. Any local unit may raise and disburse all necessary money,  
2 by taxation or the issuance of bonds, in the manner provided by  
3 law to pay its respective share of the costs of operating joint  
4 electronic data processing under a contract pursuant to this act.  
5 Any authorization for incurring debt or issuing bonds shall be  
6 restricted to the purposes, and subject to the requirements of, the  
7 **Local Bond Law.**

1 6. Before any local units enter into any contract or agreement  
2 for activities permitted by this act, they shall first apply to the  
3 Director of the Division of Local Finance submitting such informa-  
4 tion as the director shall require. The director shall within 45 days  
5 of receipt of the request either approve or disapprove the proposed  
6 action based upon his evaluation of the efficiency, usefulness, com-  
7 pliance with accounting, auditing, and fiscal requirements of the  
8 division and such other pertinent factors as he may deem appro-

9 priate. The local finance board is hereby authorized to promulgate  
10 such guidelines, regulations, or other requirements as it may deem  
11 appropriate for the guidance of the director in exercising this  
12 power. In the absence of any approval from the director, it shall be  
13 unlawful for any local unit to participate in the activities otherwise  
14 permitted by this act.

1 7. This act shall take effect immediately.

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ASSEMBLY COMMITTEE AMENDMENT TO  
**ASSEMBLY, No. 574**

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**STATE OF NEW JERSEY**

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ADOPTED APRIL 17, 1972

Amend page 1, section 1, line 4, after "district," insert "vocational school district, community college,".