

40A: 11-21

LEGISLATIVE HISTORY CHECKLIST

NJSA 40A:11-21

Laws of 1974 Chapter 189

Bill No. A 2262

Sponsor(s) Owens & Orechio

Date Introduced Oct. 29

Committee: Assembly -----

Senate -----

Amended during passage ~~Yes~~ No substituted for S 1192

Date of passage: Assembly Oct. 29

Senate Nov. 21

Date of approval Dec. 24

Following statements are attached if available:

Sponsor statement Yes

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

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10/4/76
FEB 1977

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ASSEMBLY, No. 2262

*IN OCR, TEXT OF
BILL NOT CHANGED.
SENATOR ORECHIO'S
NAME ADDED ONLY.*

STATE OF NEW JERSEY

INTRODUCED OCTOBER 29, 1974

By Assemblyman OWENS and Senator ORECHIO

(Without Reference)

AN ACT to amend the "Local Public Contracts Law," approved
June 9, 1971 (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 21 of P. L. 1971, c. 198 (C. 40A:11-21) is amended to
2 read as follows:

3 21. There may be required from any person bidding on any con-
4 tract or agreement, **[for any contracting unit,]** advertised in
5 accordance with law, that the bid be accompanied by a **[certified**
6 **check, cashier's check or bid bond,]** *guarantee* payable to the con-
7 tracting unit **[as a guarantee]** that if the contract or agreement is
8 awarded to him he will enter into a contract therefor and will
9 furnish any performance bond or other security required as a
10 guarantee or indemnification. *The guarantee shall be in the amount*
11 **[to be so deposited shall be]** *of 10% of the bid, but [in no case]*
12 *not in excess of \$20,000.00, except as otherwise provided herein,*
13 *and may be given, at the option of the bidder, by certified check,*
14 *cashier's check or bid bond. In the event that any law or regula-*
15 *tion of the United States imposes any condition upon the awarding*
16 *of a monetary grant to any contracting unit, which condition re-*
17 *quires the depositing of a guarantee in an amount other than 10%*
18 *of the bid or in excess of \$20,000.00 the provisions of this section*
19 *shall not apply and the requirements of the law or regulation of the*
20 *United States shall govern.*

1 2. This act shall take effect immediately.

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

ASSEMBLY, No. 2262

STATE OF NEW JERSEY

INTRODUCED OCTOBER 29, 1974

By Assemblyman OWENS

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STATEMENT

A Federal Environmental Protection Agency provision requires contractors bidding on sewage treatment plant construction to deposit 5% of the bid without establishing a maximum monetary limit as is presently contained in the statute.

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

This bill amends the Local Public Contracts Law to conform with federal law and permit the State and municipalities to continue to receive federal funding for sewage treatment plant construction.

The bill also gives the bidder the option of posting his **guarantee** by certified, cashier's check or bid bond and reflects the recent opinion of the Superior Court in the case of Township of River Vale v. Longo, et als., decided March 4, 1974.