

18A:18A-10

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2006 **CHAPTER:** 10
NJSA: 18A:18A-10 (Permits certain contracting units to use schedules from additional federal procurement programs when purchasing goods and services)

BILL NO: A1967 (Substituted for S364)

SPONSOR(S) Wisniewski and others

DATE INTRODUCED: Pre-filed

COMMITTEE: **ASSEMBLY:** Housing and Local Government

SENATE:

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** February 9, 2006

SENATE: February 27, 2006

DATE OF APPROVAL: April 11, 2006

FOLLOWING ARE ATTACHED IF AVAILABLE:

[FINAL TEXT OF BILL](#) (1st reprint enacted)

A1967

[SPONSOR'S STATEMENT](#): (Begins on page 7 of original bill) [Yes](#)

COMMITTEE STATEMENT: [ASSEMBLY:](#) [Yes](#)

SENATE: No

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL NOTE: No

S364

[SPONSOR'S STATEMENT](#): (Begins on page 6 of original bill) [Yes](#)

COMMITTEE STATEMENT: **ASSEMBLY:** No

[SENATE:](#) [Yes](#)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

RWH 2/28/08

P.L. 2006, CHAPTER 10, *approved April 11, 2006*
Assembly, No. 1967 (*First Reprint*)

1 AN ACT concerning public contracting and amending various parts
2 of the statutory law.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. N.J.S.18A:18A-10 is amended to read as follows:

8 18A:18A-10. a. A board of education, without advertising for
9 bids, or after having rejected all bids obtained pursuant to
10 advertising therefor, by resolution may purchase any goods or
11 services pursuant to a contract or contracts for such goods or
12 services entered into on behalf of the State by the Division of
13 Purchase and Property.

14 b. A board of education may also use, without advertising for
15 bids, or having rejected all bids obtained pursuant to advertising,
16 the Federal Supply Schedules of the General Services
17 Administration ¹or schedules from other federal procurement
18 programs¹ promulgated by the Director of the Division of Purchase
19 and Property in the Department of the Treasury pursuant to section
20 1 of P.L.1996, c.16 (C.52:34-6.1) ¹[or schedules from other federal
21 procurement programs]¹, subject to the following conditions:

22 (1) the price of the goods or services being procured is no
23 greater than the price offered to federal agencies;

24 (2) **[**the Federal Supply Schedules may be used only for
25 purchases of up to \$500,000 per year or for one product unit at any
26 price and only for reprographic equipment or services, including
27 digital copiers, used by the board of education;**]**~~(Deleted by~~
28 ~~amendment, P.L. , c.) (now pending before the Legislature as this~~
29 ~~bill) ¹;~~¹

30 (3) the board of education receives the benefit of federally
31 mandated price reductions during the term of the contract **[**and is
32 protected from price increases during that time**]**;

33 (4) the price of the goods or services being procured is no
34 greater than the price of the same or equivalent goods or services
35 under the State contract, unless the board of education determines
36 that because of factors other than price, selection of a vendor from
37 the Federal Supply Schedules or schedules from other federal
38 procurement programs would be more advantageous to the board of
39 education;

40 (5) a copy of the purchase order relating to any such contract,
41 the requisition or request for purchase order, if applicable, and
42 documentation identifying the price of the goods or services under

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 thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AHO committee amendments adopted January 30, 2006.

1 the Federal Supply Schedules or schedules from other federal
2 procurement programs shall be filed with the Director of the
3 Division of ¹~~Local Government Services~~ Purchase and Property¹
4 in the Department of ¹~~Community Affairs~~ the Treasury¹ within
5 five working days of the award of any such contract by the board of
6 education. ¹~~The director shall notify the board of education of the~~
7 ~~receipt of the material and shall make the material available to the~~
8 ~~State Treasurer.~~¹ ~~【The board of education shall make available to~~
9 ~~the director upon request any other documents relating to the~~
10 ~~solicitation and award of the contract.】~~

11 c. Whenever a purchase is made, the board of education shall
12 place its order with the vendor offering the lowest price, including
13 delivery charges, that best meets the requirements of the board of
14 education. Prior to placing such an order, the board of education
15 shall document with specificity that the goods or services selected
16 best meet the requirements of the board of education.

17 (cf: P.L.1999, c.440, s.58)

18

19 2. Section 9 of P.L.1986, c.43 (C.18A:64-60) is amended to read
20 as follows:

21 9. a. Any State college, without advertising for bids, or after
22 having rejected all bids obtained pursuant to advertising therefor,
23 may purchase any materials, supplies, goods, services or equipment
24 pursuant to a contract or contracts for those materials, supplies,
25 goods, services or equipment entered into on behalf of the State by
26 the Division of Purchase and Property.

27 b. A State college may also use, without advertising for bids, or
28 having rejected all bids obtained pursuant to advertising, the
29 Federal Supply Schedules of the General Services Administration as
30 permitted by the "Federal Acquisition Streamlining Act of 1994,"
31 Pub.L.103-355, and federal regulations adopted thereunder or
32 schedules from other federal procurement programs.

33 c. Whenever a purchase is made, the State college shall place its
34 order with the vendor offering the lowest price, including delivery
35 charges, that best meets the requirements of the State college. Prior
36 to placing such an order, the State college shall document with
37 specificity that the materials, supplies, goods, services or equipment
38 selected best meet the requirements of the State college.

39 (cf: P.L.1996, c.16, s.5)

40

41 3. Section 9 of P.L.1982, c.189 (C.18A:64A-25.9) is amended to
42 read as follows:

43 9. a. Any county college, without advertising for bids, or after
44 having rejected all bids obtained pursuant to advertising therefor,
45 may purchase any materials, supplies, goods, services or equipment
46 pursuant to a contract or contracts for such materials, supplies,
47 goods, services or equipment entered into on behalf of the State by

1 the Division of Purchase and Property.

2 b. A county college may also use, without advertising for bids,
3 or having rejected all bids obtained pursuant to advertising, the
4 Federal Supply Schedules of the General Services Administration as
5 permitted by the "Federal Acquisition Streamlining Act of 1994,"
6 Pub.L. 103-355, and federal regulations adopted thereunder or
7 schedules from other federal procurement programs.

8 c. Whenever a purchase is made, the county college shall place
9 its order with the vendor offering the lowest price, including
10 delivery charges, that best meets the requirements of the county
11 college. Prior to placing such an order, the county college shall
12 document with specificity that the materials, supplies, goods,
13 services or equipment selected best meet the requirements of the
14 county college.

15 (cf: P.L.1996, c.16, s.6)

16

17 4. Section 12 of P.L.1971, c.198 (C.40A:11-12) is amended to
18 read as follows:

19 12. a. Any contracting unit under this act may without
20 advertising for bids, or having rejected all bids obtained pursuant to
21 advertising therefor, purchase any goods or services under any
22 contract or contracts for such goods or services entered into on
23 behalf of the State by the Division of Purchase and Property in the
24 Department of the Treasury.

25 b. A contracting unit may also use, without advertising for
26 bids, or having rejected all bids obtained pursuant to advertising,
27 the Federal Supply Schedules of the General Services
28 Administration 'or schedules from other federal procurement
29 programs' promulgated by the Director of the Division of Purchase
30 and Property in the Department of the Treasury pursuant to section
31 1 of P.L.1996, c.16 (C.52:34-6.1) '[or schedules from other federal
32 procurement programs]', subject to the following conditions:

33 (1) the price of the goods or services being procured is no
34 greater than the price offered to federal agencies;

35 (2) **[the Federal Supply Schedules may be used only for**
36 **purchases of up to \$500,000 per year or for one product unit at any**
37 **price and only for reprographic equipment or services, including**
38 **digital copiers, used by the contracting unit;]** (Deleted by
39 amendment, P.L. , c.) (now pending before the Legislature as this
40 bill) ';

41 (3) the contracting unit receives the benefit of federally
42 mandated price reductions during the term of the contract **[and is**
43 **protected from price increases during that time];**

44 (4) the price of the goods or services being procured is no
45 greater than the price of the same or equivalent goods or services
46 under the State contract, unless the contracting unit determines that
47 because of factors other than price, selection of a vendor from the

1 Federal Supply Schedules or schedules from other federal
 2 procurement programs would be more advantageous to the
 3 contracting unit;

4 (5) a copy of the purchase order relating to any such contract,
 5 the requisition or request for purchase order, if applicable, and
 6 documentation identifying the price of the goods or services under
 7 the Federal Supply Schedules or schedules from other federal
 8 procurement programs shall be filed with the ¹~~['director']~~ Director
 9 of the Division of Purchase and Property in the Department of
 10 Treasury¹ within five working days of the award of any such
 11 contract by the contracting unit. ¹~~['The director shall notify the~~
 12 ~~contracting unit of the receipt of the material and shall make the~~
 13 ~~material available to the State Treasurer.】~~¹ ~~['The contracting unit~~
 14 ~~shall make available to the director upon request any other~~
 15 ~~documents relating to the solicitation and award of the contract.】~~

16 c. Whenever a purchase is made, the contracting unit shall
 17 place its order with the vendor offering the lowest price, including
 18 delivery charges, that best meets the requirements of the contracting
 19 unit. Prior to placing such an order, the contracting unit shall
 20 document with specificity that the goods or services selected best
 21 meet the requirements of the contracting unit.

22 (cf: P.L.1999, c.440, s.18)

23
 24 5. Section 2 of P.L.1996, c.16 (C.52:34-6.3) is amended to read
 25 as follows:

26 2. Notwithstanding the provisions of any other law to the
 27 contrary, the State authorities authorized to contract independently
 28 under various provisions of State law may also use, without
 29 advertising for bids, or having rejected all bids obtained pursuant to
 30 advertising, the Federal Supply Schedules of the General Services
 31 Administration ¹or schedules from other federal procurement
 32 programs¹, promulgated by the Director of the Division of Purchase
 33 and Property in the Department of the Treasury pursuant to section
 34 1 of P.L.1996, c.16 (C.52:34-6.1) ¹~~['or schedules from other federal~~
 35 ~~procurement programs】~~¹, subject to the following conditions:

36 (1) the price of the goods or services being procured is no
 37 greater than the price offered to federal agencies;

38 (2) ~~['the Federal Supply Schedules may be used only for~~
 39 ~~purchases of up to \$500,000 per year or for one product unit at any~~
 40 ~~price and only for reprographic equipment or services, including~~
 41 ~~digital copiers, used by the authority;】~~~~(Deleted by amendment,~~
 42 ~~P.L. , c.) (now pending before the Legislature as this bill) ¹;~~¹

43 (3) the authority receives the benefit of federally mandated price
 44 reductions during the term of the contract ~~['and is protected from~~
 45 ~~price increases during that time】~~;

46 (4) the price of the goods or services being procured is no

1 greater than the price of the same or equivalent goods or services
2 under the State contract, unless the authority determines that
3 because of factors other than price, selection of a vendor from the
4 Federal Supply Schedules or schedules from other federal
5 procurement programs would be more advantageous to the
6 authority;

7 (5) a copy of the purchase order relating to any such contract,
8 the requisition or request for purchase order, if applicable, and
9 documentation identifying the price of the goods or services under
10 the Federal Supply Schedules or schedules from other federal
11 procurement programs shall be filed with the State Treasurer within
12 five working days of the award of any such contract by the
13 authority. The authority shall make available to the State Treasurer
14 upon request any other documents relating to the solicitation and
15 award of the contract.

16 (cf: P.L.1999, c.440, s.107)

17

18 6. This act shall take effect on the first day of the third month
19 following enactment.

20

21

22

23

24 _____
25 Permits certain contracting units to use schedules from additional
federal procurement programs when purchasing goods and services.

ASSEMBLY, No. 1967

STATE OF NEW JERSEY 212th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2006 SESSION

Sponsored by:

Assemblyman JOHN S. WISNIEWSKI

District 19 (Middlesex)

SYNOPSIS

Permits certain contracting units to use schedules from additional federal procurement programs when purchasing goods and services.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



1 AN ACT concerning public contracting and amending various parts
2 of the statutory law.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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7 1. N.J.S.18A:18A-10 is amended to read as follows:

8 18A:18A-10. a. A board of education, without advertising for
9 bids, or after having rejected all bids obtained pursuant to
10 advertising therefor, by resolution may purchase any goods or
11 services pursuant to a contract or contracts for such goods or
12 services entered into on behalf of the State by the Division of
13 Purchase and Property.

14 b. A board of education may also use, without advertising for
15 bids, or having rejected all bids obtained pursuant to advertising,
16 the Federal Supply Schedules of the General Services
17 Administration promulgated by the Director of the Division of
18 Purchase and Property in the Department of the Treasury pursuant
19 to section 1 of P.L.1996, c.16 (C.52:34-6.1) or schedules from other
20 federal procurement programs, subject to the following conditions:

21 (1) the price of the goods or services being procured is no
22 greater than the price offered to federal agencies;

23 (2) [the Federal Supply Schedules may be used only for
24 purchases of up to \$500,000 per year or for one product unit at any
25 price and only for reprographic equipment or services, including
26 digital copiers, used by the board of education;](Deleted by
27 amendment, P.L. , c.) (now pending before the Legislature as this
28 bill)

29 (3) the board of education receives the benefit of federally
30 mandated price reductions during the term of the contract [and is
31 protected from price increases during that time];

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37 procurement programs would be more advantageous to the board of
38 education;

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40 the requisition or request for purchase order, if applicable, and
41 documentation identifying the price of the goods or services under
42 the Federal Supply Schedules or schedules from other federal
43 procurement programs shall be filed with the Director of the
44 Division of Local Government Services in the Department of

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 thus is new matter.

1 Community Affairs within five working days of the award of any
2 such contract by the board of education. The director shall notify
3 the board of education of the receipt of the material and shall make
4 the material available to the State Treasurer. [The board of
5 education shall make available to the director upon request any
6 other documents relating to the solicitation and award of the
7 contract.]

8 c. Whenever a purchase is made, the board of education shall
9 place its order with the vendor offering the lowest price, including
10 delivery charges, that best meets the requirements of the board of
11 education. Prior to placing such an order, the board of education
12 shall document with specificity that the goods or services selected
13 best meet the requirements of the board of education.
14 (cf: P.L.1999, c.440, s.58)

15
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18 9. a. Any State college, without advertising for bids, or after
19 having rejected all bids obtained pursuant to advertising therefor,
20 may purchase any materials, supplies, goods, services or equipment
21 pursuant to a contract or contracts for those materials, supplies,
22 goods, services or equipment entered into on behalf of the State by
23 the Division of Purchase and Property.

24 b. A State college may also use, without advertising for bids, or
25 having rejected all bids obtained pursuant to advertising, the
26 Federal Supply Schedules of the General Services Administration as
27 permitted by the "Federal Acquisition Streamlining Act of 1994,"
28 Pub.L.103-355, and federal regulations adopted thereunder or
29 schedules from other federal procurement programs.

30 c. Whenever a purchase is made, the State college shall place its
31 order with the vendor offering the lowest price, including delivery
32 charges, that best meets the requirements of the State college. Prior
33 to placing such an order, the State college shall document with
34 specificity that the materials, supplies, goods, services or equipment
35 selected best meet the requirements of the State college.
36 (cf: P.L.1996, c.16, s.5)

37
38 3. Section 9 of P.L.1982, c.189 (C.18A:64A-25.9) is amended to
39 read as follows:

40 9. a. Any county college, without advertising for bids, or after
41 having rejected all bids obtained pursuant to advertising therefor,
42 may purchase any materials, supplies, goods, services or equipment
43 pursuant to a contract or contracts for such materials, supplies,
44 goods, services or equipment entered into on behalf of the State by
45 the Division of Purchase and Property.

46 b. A county college may also use, without advertising for bids,
47 or having rejected all bids obtained pursuant to advertising, the

A1967 WISNIEWSKI

1 Federal Supply Schedules of the General Services Administration as
2 permitted by the "Federal Acquisition Streamlining Act of 1994,"
3 Pub.L. 103-355, and federal regulations adopted thereunder or
4 schedules from other federal procurement programs.

5 c. Whenever a purchase is made, the county college shall place
6 its order with the vendor offering the lowest price, including
7 delivery charges, that best meets the requirements of the county
8 college. Prior to placing such an order, the county college shall
9 document with specificity that the materials, supplies, goods,
10 services or equipment selected best meet the requirements of the
11 county college.

12 (cf: P.L.1996, c.16, s.6)

13

14 4. Section 12 of P.L.1971, c.198 (C.40A:11-12) is amended to
15 read as follows:

16 12. a. Any contracting unit under this act may without
17 advertising for bids, or having rejected all bids obtained pursuant to
18 advertising therefor, purchase any goods or services under any
19 contract or contracts for such goods or services entered into on
20 behalf of the State by the Division of Purchase and Property in the
21 Department of the Treasury.

22 b. A contracting unit may also use, without advertising for
23 bids, or having rejected all bids obtained pursuant to advertising,
24 the Federal Supply Schedules of the General Services
25 Administration promulgated by the Director of the Division of
26 Purchase and Property in the Department of the Treasury pursuant
27 to section 1 of P.L.1996, c.16 (C.52:34-6.1) or schedules from other
28 federal procurement programs, subject to the following conditions:

29 (1) the price of the goods or services being procured is no
30 greater than the price offered to federal agencies;

31 (2) [the Federal Supply Schedules may be used only for
32 purchases of up to \$500,000 per year or for one product unit at any
33 price and only for reprographic equipment or services, including
34 digital copiers, used by the contracting unit;] (Deleted by
35 amendment, P.L. , c.) (now pending before the Legislature as this
36 bill)

37 (3) the contracting unit receives the benefit of federally
38 mandated price reductions during the term of the contract [and is
39 protected from price increases during that time];

40 (4) the price of the goods or services being procured is no
41 greater than the price of the same or equivalent goods or services
42 under the State contract, unless the contracting unit determines that
43 because of factors other than price, selection of a vendor from the
44 Federal Supply Schedules or schedules from other federal
45 procurement programs would be more advantageous to the
46 contracting unit;

1 (5) a copy of the purchase order relating to any such contract,
2 the requisition or request for purchase order, if applicable, and
3 documentation identifying the price of the goods or services under
4 the Federal Supply Schedules or schedules from other federal
5 procurement programs shall be filed with the director within five
6 working days of the award of any such contract by the contracting
7 unit. The director shall notify the contracting unit of the receipt of
8 the material and shall make the material available to the State
9 Treasurer. [The contracting unit shall make available to the director
10 upon request any other documents relating to the solicitation and
11 award of the contract.]

12 c. Whenever a purchase is made, the contracting unit shall
13 place its order with the vendor offering the lowest price, including
14 delivery charges, that best meets the requirements of the contracting
15 unit. Prior to placing such an order, the contracting unit shall
16 document with specificity that the goods or services selected best
17 meet the requirements of the contracting unit.

18 (cf: P.L.1999, c.440, s.18)

19

20 5. Section 2 of P.L.1996, c.16 (C.52:34-6.3) is amended to read
21 as follows:

22 2. Notwithstanding the provisions of any other law to the
23 contrary, the State authorities authorized to contract independently
24 under various provisions of State law may also use, without
25 advertising for bids, or having rejected all bids obtained pursuant to
26 advertising, the Federal Supply Schedules of the General Services
27 Administration, promulgated by the Director of the Division of
28 Purchase and Property in the Department of the Treasury pursuant
29 to section 1 of P.L.1996, c.16 (C.52:34-6.1), or schedules from
30 other federal procurement programs, subject to the following
31 conditions:

32 (1) the price of the goods or services being procured is no
33 greater than the price offered to federal agencies;

34 (2) [the Federal Supply Schedules may be used only for
35 purchases of up to \$500,000 per year or for one product unit at any
36 price and only for reprographic equipment or services, including
37 digital copiers, used by the authority;](Deleted by amendment, P.L.
38 , c.) (now pending before the Legislature as this bill)

39 (3) the authority receives the benefit of federally mandated price
40 reductions during the term of the contract [and is protected from
41 price increases during that time];

42 (4) the price of the goods or services being procured is no
43 greater than the price of the same or equivalent goods or services
44 under the State contract, unless the authority determines that
45 because of factors other than price, selection of a vendor from the
46 Federal Supply Schedules or schedules from other federal

1 procurement programs would be more advantageous to the
2 authority;

1 (5) a copy of the purchase order relating to any such contract,
2 the requisition or request for purchase order, if applicable, and
3 documentation identifying the price of the goods or services under
4 the Federal Supply Schedules or schedules from other federal
5 procurement programs shall be filed with the State Treasurer within
6 five working days of the award of any such contract by the
7 authority. The authority shall make available to the State Treasurer
8 upon request any other documents relating to the solicitation and
9 award of the contract.

10 (cf: P.L.1999, c.440, s.107)

11

12 6. This act shall take effect on the first day of the third month
13 following enactment.

14

15

16

STATEMENT

17

18 Under current law and Department of Treasury regulations,
19 public school districts, State and county colleges, local contracting
20 units, and State authorities may, without advertising for bids, use
21 the Federal Supply Schedules of the General Services
22 Administration for the purchase of reprographic equipment and
23 services, including digital copiers. Such purchases are limited to an
24 amount of \$500,000 per year or for one product unit at any price.

25 This bill would allow these contracting units to also use, without
26 advertising for bids, the schedules from other federal procurement
27 programs. The bill also eliminates the restriction that such
28 purchases be only for reprographic materials, the \$500,000 cap on
29 the amount of annual purchases, and an unenforceable provision on
30 protection from price increases during the term of the contract.

ASSEMBLY HOUSING AND LOCAL GOVERNMENT
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1967

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 30, 2006

The Assembly Housing and Local Government Committee reports favorably Assembly Bill No. 1967, with committee amendments.

Under current law and Department of Treasury regulations, public school districts, State and county colleges, local contracting units, and State authorities may, without advertising for bids, use the Federal Supply Schedules of the General Services Administration for the purchase of reprographic equipment and services, including digital copiers. Such purchases are limited to an amount of \$500,000 per year or for one product unit at any price.

This bill would allow these contracting units to also use, without advertising for bids, the schedules from other federal procurement programs. The bill also eliminates the restriction that such purchases be only for reprographic materials, the \$500,000 cap on the amount of annual purchases, and an unenforceable provision on protection from price increases during the term of the contract.

Committee amendments

The committee amended the bill to provide that when a local board of education or a local government contracting unit makes a purchase using a federal procurement program schedule, documentation thereof will be filed with the Director of the Division of Purchase and Property in the Department of the Treasury, instead of with the Director of the Division of Local Government Services in the Department of Community Affairs. In view of this change, certain provisions requiring the Director of Local Government Services to convey that information to the State Treasurer are no longer necessary and are deleted by the amendments. Several other technical language changes were made by the amendments.

This bill as amended is identical to Senate Bill No. 364 with committee amendments as released from the Senate State Government Committee today.

This bill was pre-filed for introduction in the 2006-2007 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

SENATE, No. 364

STATE OF NEW JERSEY 212th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2006 SESSION

Sponsored by:

Senator ELLEN KARCHER

District 12 (Mercer and Monmouth)

Senator NICHOLAS P. SCUTARI

District 22 (Middlesex, Somerset and Union)

SYNOPSIS

Permits certain contracting units to use schedules from additional federal procurement programs when purchasing goods and services.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



S364 KARCHER, SCUTARI

2

1 AN ACT concerning public contracting and amending various parts
2 of the statutory law.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. N.J.S.18A:18A-10 is amended to read as follows:

8 18A:18A-10. a. A board of education, without advertising for
9 bids, or after having rejected all bids obtained pursuant to
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14 b. A board of education may also use, without advertising for
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17 Administration or schedules from other federal procurement
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19 and Property in the Department of the Treasury pursuant to section
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23 than the price offered to federal agencies;

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31 mandated price reductions during the term of the contract [and is
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not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 Division of Local Government Services in the Department of
2 Community Affairs within five working days of the award of any
3 such contract by the board of education. The director shall notify
4 the board of education of the receipt of the material and shall make
5 the material available to the State Treasurer. The board of
6 education shall make available to the director upon request any
7 other documents relating to the solicitation and award of the
8 contract.

9 c. Whenever a purchase is made, the board of education shall
10 place its order with the vendor offering the lowest price, including
11 delivery charges, that best meets the requirements of the board of
12 education. Prior to placing such an order, the board of education
13 shall document with specificity that the goods or services selected
14 best meet the requirements of the board of education.

15 (cf: P.L.1999, c.440, s.58)

16

17 2. Section 9 of P.L.1986, c.43 (C.18A:64-60) is amended to read
18 as follows:

19 9. a. Any State college, without advertising for bids, or after
20 having rejected all bids obtained pursuant to advertising therefor,
21 may purchase any materials, supplies, goods, services or equipment
22 pursuant to a contract or contracts for those materials, supplies,
23 goods, services or equipment entered into on behalf of the State by
24 the Division of Purchase and Property.

25 b. A State college may also use, without advertising for bids, or
26 having rejected all bids obtained pursuant to advertising, the
27 Federal Supply Schedules of the General Services Administration as
28 permitted by the "Federal Acquisition Streamlining Act of 1994,"
29 Pub.L.103-355, and federal regulations adopted thereunder or
30 schedules from other federal procurement programs.

31 c. Whenever a purchase is made, the State college shall place its
32 order with the vendor offering the lowest price, including delivery
33 charges, that best meets the requirements of the State college. Prior
34 to placing such an order, the State college shall document with
35 specificity that the materials, supplies, goods, services or equipment
36 selected best meet the requirements of the State college.

37 (cf: P.L.1996, c.16, s.5)

38

39 3. Section 9 of P.L.1982, c.189 (C.18A:64A-25.9) is amended to
40 read as follows:

41 9. a. Any county college, without advertising for bids, or after
42 having rejected all bids obtained pursuant to advertising therefor,
43 may purchase any materials, supplies, goods, services or equipment
44 pursuant to a contract or contracts for such materials, supplies,
45 goods, services or equipment entered into on behalf of the State by
46 the Division of Purchase and Property.

47 b. A county college may also use, without advertising for bids,
48 or having rejected all bids obtained pursuant to advertising, the

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1 Federal Supply Schedules of the General Services Administration
2 as permitted by the "Federal Acquisition Streamlining Act of 1994,"
3 Pub.L.103-355, and federal regulations adopted thereunder or
4 schedules from other federal procurement programs.

5 c. Whenever a purchase is made, the county college shall place
6 its order with the vendor offering the lowest price, including
7 delivery charges, that best meets the requirements of the county
8 college. Prior to placing such an order, the county college shall
9 document with specificity that the materials, supplies, goods,
10 services or equipment selected best meet the requirements of the
11 county college.

12 (cf: P.L.1996, c.16, s.6)

13

14 4. Section 12 of P.L.1971, c.198 (C.40A:11-12) is amended to
15 read as follows:

16 12. a. Any contracting unit under this act may without
17 advertising for bids, or having rejected all bids obtained pursuant to
18 advertising therefor, purchase any goods or services under any
19 contract or contracts for such goods or services entered into on
20 behalf of the State by the Division of Purchase and Property in the
21 Department of the Treasury.

22 b. A contracting unit may also use, without advertising for bids,
23 or having rejected all bids obtained pursuant to advertising, the
24 Federal Supply Schedules of the General Services Administration or
25 schedules from other federal procurement programs promulgated by
26 the Director of the Division of Purchase and Property in the
27 Department of the Treasury pursuant to section 1 of P.L.1996, c.16
28 (C.52:34-6.1), subject to the following conditions:

29 (1) the price of the goods or services being procured is no greater
30 than the price offered to federal agencies;

31 (2) [the Federal Supply Schedules may be used only for
32 purchases of up to \$500,000 per year or for one product unit at any
33 price and only for reprographic equipment or services, including
34 digital copiers, used by the contracting unit;] (Deleted by
35 amendment, P.L. , c.) (now pending before the Legislature as this
36 bill);

37 (3) the contracting unit receives the benefit of federally
38 mandated price reductions during the term of the contract [and is
39 protected from price increases during that time];

40 (4) the price of the goods or services being procured is no greater
41 than the price of the same or equivalent goods or services under the
42 State contract, unless the contracting unit determines that because
43 of factors other than price, selection of a vendor from the Federal
44 Supply Schedules or schedules from other federal procurement
45 programs would be more advantageous to the contracting unit;

46 (5) a copy of the purchase order relating to any such contract, the

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1 requisition or request for purchase order, if applicable, and
2 documentation identifying the price of the goods or services under
3 the Federal Supply Schedules or schedules from other federal
4 procurement programs shall be filed with the director within five
5 working days of the award of any such contract by the contracting
6 unit. The director shall notify the contracting unit of the receipt of
7 the material and shall make the material available to the State
8 Treasurer. The contracting unit shall make available to the director
9 upon request any other documents relating to the solicitation and
10 award of the contract.

11 c. Whenever a purchase is made, the contracting unit shall place
12 its order with the vendor offering the lowest price, including
13 delivery charges, that best meets the requirements of the contracting
14 unit. Prior to placing such an order, the contracting unit shall
15 document with specificity that the goods or services selected best
16 meet the requirements of the contracting unit.

17 (cf: P.L.1999, c.440, s.18)

18

19 5. Section 2 of P.L. 1996, c.16 (C.52:34-6.3) is amended as
20 follows:

21 2. Notwithstanding the provisions of any other law to the
22 contrary, the State authorities authorized to contract independently
23 under various provisions of State law may also use, without
24 advertising for bids, or having rejected all bids obtained pursuant to
25 advertising, the Federal Supply Schedules of the General Services
26 Administration or schedules from other federal procurement
27 programs, promulgated by the Director of the Division of Purchase
28 and Property in the Department of the Treasury pursuant to section
29 1 of P.L.1996, c.16 (C.52:34-6.1), subject to the following
30 conditions:

31 (1) the price of the goods or services being procured is no greater
32 than the price offered to federal agencies;

33 (2) [the Federal Supply Schedules may be used only for
34 purchases of up to \$500,000 per year or for one product unit at any
35 price and only for reprographic equipment or services, including
36 digital copiers, used by the authority;]~~(Deleted by amendment,~~
37 P.L. , c.) (now pending before the Legislature as this bill);

38 (3) the authority receives the benefit of federally mandated price
39 reductions during the term of the contract [and is protected from
40 price increases during that time];

41 (4) the price of the goods or services being procured is no greater
42 than the price of the same or equivalent goods or services under the
43 State contract, unless the authority determines that because of
44 factors other than price, selection of a vendor from the Federal
45 Supply Schedules or schedules from other federal procurement
46 programs would be more advantageous to the authority;

1 (5) a copy of the purchase order relating to any such contract, the
2 requisition or request for purchase order, if applicable, and
3 documentation identifying the price of the goods or services under
4 the Federal Supply Schedules or schedules from other federal
5 procurement programs shall be filed with the State Treasurer within
6 five working days of the award of any such contract by the
7 authority. The authority shall make available to the State Treasurer
8 upon request any other documents relating to the solicitation and
9 award of the contract.

10 (cf: P.L.1999, c.440, s.107)

11
12 6. Section 1 of P.L.1996, c.16 (C.52:34-6.1) is amended to read
13 as follows:

14 1. Notwithstanding the provisions of P.L.1954, c.48 (C.52:34-6
15 et seq.) to the contrary, the Director of the Division of Purchase and
16 Property in the Department of the Treasury shall promulgate the
17 Federal Supply Schedules of the Federal General Services
18 Administration or schedules from other federal procurement
19 programs pursuant to the "Administrative Procedure Act,"
20 P.L.1968, c.410 (C.52:14B-1 et seq.) as an alternate price guide for
21 the purchase of goods and services for State agencies and for the
22 entities defined in section 1 of P.L.1959, c.40 (C.52:27B-56.1),
23 subject to the following conditions:

24 (1) the price of the goods or services being procured is no greater
25 than the price offered to federal agencies;

26 (2) [the Federal Supply Schedules may be used only for
27 purchases of up to \$500,000 per year or for one product unit at any
28 price and only for reprographic equipment or services, including
29 digital copiers, used by the State] (Deleted by amendment, P.L. __,
30 c. __) (now pending before the Legislature as this bill);

31 (3) the State receives the benefit of federally mandated price
32 reductions during the term of the contract [and is protected from
33 price increases during that time]; and

34 (4) the price of the goods or services being procured is no greater
35 than the price of the same or equivalent goods or services under the
36 State contract, unless the State determines that because of factors
37 other than price, selection of a vendor from the Federal Supply
38 Schedules or schedules from other federal procurement programs
39 would be more advantageous to the State.

40 (cf: P.L.1999, c.440, s.106)

41
42 7. This act shall take effect on the first day of the third month
43 following enactment.
44
45

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1

2 Under current law and Department of Treasury regulations,
3 public school districts, State and county colleges, local contracting
4 units, and State authorities may, without advertising or bids, use the
5 Federal Supply Schedules of the General Services Administration
6 for the purchase of reprographic equipment and services, including
7 digital copiers. Such purchases are limited to an amount of
8 \$500,000 per year or for one product unit at any price.

9 This bill would allow these contracting units to also use, without
10 advertising or bids, the schedules from other federal procurement
11 programs. This use of schedules from other federal procurement
12 programs would be subject to promulgation by State regulations of
13 the Division of Purchase and Property in the Department of
14 Treasury. The bill also eliminates the restriction that such purchases
15 be only for reprographic materials, the \$500,000 cap on the amount
16 of annual purchases, and an unenforceable provision on protection
17 from the price increases during the term of the contract.

SENATE STATE GOVERNMENT COMMITTEE

STATEMENT TO

SENATE, No. 364

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 30, 2006

Under current law and Department of Treasury regulations, public school districts, State and county colleges, local contracting units, and State authorities may, without advertising or bids, use the federal supply schedules of the General Services Administration (GSA) for the purchase of reprographic equipment and services, including digital copiers. Such purchases are limited to an amount of \$500,000 per year or for one product unit at any price.

This bill would allow these contracting units to also use, without advertising or bids, the schedules from other federal procurement programs. This use of schedules from other federal procurement programs would be subject to promulgation by State regulations of the Division of Purchase and Property in the Department of Treasury. The bill also eliminates the restriction that such purchases be only for reprographic materials, the \$500,000 cap on the amount of annual purchases, and an unenforceable provision on protection from the price increases during the term of the contract.

The committee amended the bill to provide that when a local board of education or a local government contracting unit makes a purchase using a federal procurement program schedule, documentation thereof will be filed with the Director of the Division of Purchase and Property in the Department of the Treasury, instead of with the Director of the Division of Local Government Services in the Department of Community Affairs.

This bill was pre-filed for introduction in the 2006-2007 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.