

ASSEMBLY, No. 2396

STATE OF NEW JERSEY 215th LEGISLATURE

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Sponsored by:

Assemblyman CRAIG J. COUGHLIN

District 19 (Middlesex)

SYNOPSIS

Allows certain State agencies to sell Internet advertisements on agencies' websites.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT allowing certain State agencies to sell Internet
2 advertisements on the agencies' websites and supplementing
3 chapter 32 of Title 52 of the Revised Statutes.

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

7
8 1. The Legislature finds that State agency websites provide
9 timely and useful information to the public about State agency
10 programs and services. These websites are informative in nature
11 and do not serve as a public forum or a limited public forum for the
12 discussion or exchange of ideas. The Legislature further finds that
13 allowing State agencies to sell Internet advertisements for display
14 on their web pages could provide new sources of revenue for the
15 State, particularly for those State agencies that maintain high-traffic
16 web pages. Therefore, the Legislature intends to allow a limited
17 number of State agencies to establish a pilot program to sell Internet
18 advertisements for display on their websites, provided that the
19 advertisements are consistent with the business mission of the
20 agency as well as any Internet advertisement guidelines adopted by
21 the agency.

22
23 2. Beginning 90 days following the enactment of P.L. , c. ,
24 (C.) (pending before the Legislature as this bill), the Economic
25 Development Authority, the New Jersey Transit Corporation, and
26 the New Jersey Lottery, on behalf of the State of New Jersey, each
27 shall establish a two-year pilot program to begin selling Internet
28 advertisements for display on those agencies websites. In locations
29 where Internet advertisements are offered on a State agency web
30 page, the web page shall also include a disclaimer, indicating that
31 the inclusion of Internet advertisements does not imply endorsement
32 by the State.

33 Not later than two years after the establishment of the pilot
34 program by the State agency, the agency shall submit a report to the
35 Governor and the Legislature pursuant to section 2 of P.L.1991,
36 c.164 (C.52:14-19.1) that evaluates the effectiveness of the pilot
37 program. The report shall include a detailed summary of both the
38 expenditures made and the revenues produced under the program,
39 as well as recommendations concerning whether to continue the
40 program.

41 For the purposes of P.L. , c. (C.) (pending before the
42 Legislature as this bill), "Internet advertisement" means specific
43 advertising methods on the Internet, including display or banner
44 advertisements, sponsorships, and business listings where goods or
45 services may be purchased online.

46
47 3. Prior to selling Internet advertisements, a State agency shall
48 develop policy, style, and content guidelines for Internet

1 advertisements that ensure that the subject matter of any Internet
2 advertisement displayed by the agency directly relates to the
3 business mission and purpose of the agency. The head of the
4 agency, to the maximum extent practicable, shall enter into
5 contracts for Internet advertisements with businesses based in this
6 State, unless the head of the agency determines it to be inconsistent
7 with the public interest.

8
9 4. Revenue generated from the sale of Internet advertisements
10 under P.L. , c. (C.) (pending before the Legislature as this
11 bill) shall be deposited into the State General Fund by the State
12 agencies named in section 2 of P.L. , c. (C.) (pending before
13 the Legislature as this bill) for which expenditures are authorized
14 through the State annual appropriations act. There shall be
15 appropriated annually such funds as are determined to be necessary
16 to each such agency for the incremental cost of offering Internet
17 advertisements and an additional ten percent of such revenue
18 generated by that agency for the purpose of innovation in
19 operations, programs or services.

20 For the agencies not funded through the State annual
21 appropriations act, the agency shall remit to the State Treasurer
22 such revenue generated from the sale of Internet advertisements as
23 shall remain after deductions by the agency for the incremental cost
24 of offering Internet advertisements and of an additional ten percent
25 for the purpose of innovation in operations, programs or services.

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27 5. This act shall take effect immediately.

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30 STATEMENT

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32 This bill authorizes the Economic Development Authority, the
33 New Jersey Transit Corporation, and the New Jersey Lottery to
34 establish a two-year pilot program to sell Internet advertisements
35 for display on the agencies' websites. Each agency's website must
36 include a disclaimer stating that the advertisements do not imply
37 endorsement by the State. "Internet advertisement" is defined to
38 mean specific advertising methods on the Internet, including display
39 or banner advertisements, sponsorships, and business listings where
40 goods or services may be purchased online.

41 The bill provides that each agency must develop policy, style,
42 and content guidelines for website advertisements that ensure that
43 the subject matter of the advertisement directly relates to the
44 agency's business mission and purpose. Revenue generated will be
45 deposited into the State General Fund by agencies for which
46 expenditures are authorized through the annual appropriations act.
47 For agencies not provided for through the annual appropriations act,
48 the agency will remit to the State Treasurer such revenue generated

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1 from the sale of Internet advertisements as remains after deductions
2 by the entity for the incremental cost of offering Internet
3 advertisements and of an additional ten percent of such revenue for
4 the purpose of innovation in operations, programs or services.

5 The bill requires each agency to submit a detailed report to the
6 Governor and the Legislature evaluating the effectiveness of the
7 program, including a summary of expenditures and revenues under
8 the program, together with recommendations concerning whether to
9 continue the program.

10 The purpose of the bill is to provide new sources of revenue for
11 the State, particularly for State agencies that maintain high-traffic
12 web pages.