

ASSEMBLY, No. 1705

STATE OF NEW JERSEY

INTRODUCED MARCH 11, 1996

By Assemblyman T. SMITH

1 AN ACT concerning set-aside contracts for certain construction  
2 projects in municipalities in which are located urban enterprise  
3 zones and amending P.L.1985, c.482.

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

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8 1. Section 1 of P.L.1985, c.482 (C.40A:11-41) is amended to read  
9 as follows:

10 1. 40A:11-41. Definitions

11 As used in this act:

12 a. "County or municipal contracting agency" shall mean the  
13 governing body of a county or municipality or any department, board,  
14 commission, committee, authority or agency of a county or  
15 municipality but shall not include school districts;

16 b. "Minority group members" shall mean persons who are black,  
17 Hispanic, Portuguese, Asian-American, American Indian or Alaskan  
18 natives;

19 c. "Qualified women's business enterprise" shall mean a business  
20 which has its principal place of business in this State, is independently  
21 owned and operated, is at least 51% owned and controlled by women  
22 and is qualified pursuant to section 25 of P.L.1971, c.198  
23 (C.40A:11-25);

24 d. "Qualified minority business enterprise" shall mean a business  
25 which has its principal place of business in this State, is independently  
26 owned and operated, is at least 51% owned and controlled by minority  
27 group members and is qualified pursuant to section 25 of P.L.1971,  
28 c.198 (C.40A:11-25);

29 e. "Qualified small business enterprise" shall mean: (1) a business  
30 which has its principal place of business in this State, is independently  
31 owned and operated and meets all other qualifications as may be  
32 established in accordance with P.L.1981, c.283 (C.52:27H-21.1 et  
33 seq.) or, (2) a business which has its principal place of business within  
34 a municipality in which is located an urban enterprise zone designated

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

**Matter underlined thus is new matter.**

1 pursuant to the "New Jersey Urban Enterprise Zones Act," P.L.1983,  
2 c.303 (C.52:27H-60 et seq.);

3 f. "Set-aside contracts" shall mean (1) a contract for goods,  
4 equipment, construction, or services which is designated as a contract  
5 for which bids are invited and accepted only from qualified small  
6 business enterprises, qualified minority business enterprises or  
7 qualified women's business enterprises, as appropriate, (2) a portion  
8 of a contract when that portion has been so designated, or (3) any  
9 other purchase or procurement so designated; and

10 g. "Total procurements" shall mean all purchases, contracts or  
11 acquisitions of a county or municipal contracting agency, whether by  
12 competitive bidding, single source contracting, or other method of  
13 procurement, as prescribed or permitted by law.

14 (cf: P.L.1985, c.482, s.1)

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16 2. Section 2 of P.L.1985, c.482 (C.40A:11-42) is amended to read  
17 as follows:

18 2. 40A:11-42. Set-aside programs authorized

19 a. The governing body of a county or municipality may, by  
20 ordinance or resolution, as appropriate, establish a qualified minority  
21 business enterprise set-aside program. In authorizing such a program,  
22 the governing body of a county or municipality shall establish a goal  
23 for its contracting agencies of setting aside a certain percentage of the  
24 dollar value of total procurements to be awarded as set-aside contracts  
25 to qualified minority business enterprises.

26 b. The governing body of a county or municipality may, by  
27 ordinance or resolution, as appropriate, establish a qualified women's  
28 business enterprise set-aside program. In authorizing such a program,  
29 the governing body of a county or municipality shall establish a goal  
30 for its contracting agencies of setting aside a certain percentage of the  
31 dollar value of total procurements to be awarded as set-aside contracts  
32 to qualified women's business enterprises.

33 c. (1) The governing body of a county or municipality may, by  
34 ordinance or resolution, as appropriate, establish a qualified small  
35 business enterprise set-aside program. In authorizing such a program,  
36 the governing body of a county or municipality shall establish a goal  
37 for its contracting agencies of setting aside a certain percentage of the  
38 dollar value of total procurements to be awarded as set-aside contracts  
39 to qualified small business enterprises.

40 (2) The governing body of a municipality within which is located  
41 an urban enterprise zone may, by ordinance, establish a qualified small  
42 business enterprise set-aside program for construction projects funded  
43 in whole or in part through State funds, in addition to a program  
44 established pursuant to paragraph (1) of this subsection. In  
45 authorizing such a program, the governing body of the municipality  
46 shall establish a goal for its contracting agencies of setting aside a

1 certain percentage of the dollar value of total procurements, including  
2 procurements for construction-related professional services, to be  
3 awarded as set-aside contracts to qualified small business enterprises  
4 as defined in paragraph (2) of subsection e. of section 1 of P.L.1985,  
5 c.482 (C.40A:11-41).

6 (cf: P.L.1985, c.482, s.2)

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8 3. This act shall take effect immediately.

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#### STATEMENT

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13 This bill would permit a municipality in which is located an urban  
14 enterprise zone to establish a set-aside program for construction-  
15 related contracts in favor of businesses located within the municipality  
16 when State funds are used, in whole or in part, for a construction  
17 project.

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23 Permits municipalities hosting UEZs to establish set-aside programs  
favoring local businesses for construction projects using State funds.