

P.L. 1997, CHAPTER 390, *approved January 19, 1998*
Senate, No. 1932 (*Second Reprint*)

1 **AN ACT** concerning certain contracts of the New Jersey Highway
2 Authority and amending P.L.1968, c.459.

3

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

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7 1. Section 1 of P.L.1968, c.459 (C.27:12B-5.2) is amended to read
8 as follows:

9 1. a. The New Jersey Highway Authority, in the exercise of its
10 authority to make and enter into contracts and agreements necessary
11 or incidental to the performance of its duties and the execution of its
12 powers, shall adopt standing operating rules and procedures providing
13 that, except as hereinafter provided, no contract on behalf of the
14 authority shall be entered into for the doing of any work, or for the
15 hiring of equipment or vehicles, where the sum to be expended
16 exceeds the sum of \$7,500.00 or, after June 30, 1985, the amount
17 determined pursuant to subsection b. of this section unless the
18 authority shall first publicly advertise for bids therefor, and shall
19 award the contract to the lowest responsible bidder; provided,
20 however, that such advertising shall not be required where the
21 contract to be entered into is one for the furnishing or performing of
22 services of a professional nature or for the supplying of any product
23 or the rendering of any service by a public utility subject to the
24 jurisdiction of the Board of Public [Utility Commissioners]Utilities
25 of this State and tariffs and schedules of the charges, made, charged, or
26 exacted by the public utility for any such products to be supplied or
27 services to be rendered are filed with the said board. Contracts for
28 towing and storage services shall be advertised and awarded pursuant
29 to subsection c. of this section.

30 This subsection shall not prevent the authority from having any

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly ATC committee amendments adopted December 11, 1997.

² Senate amendments adopted in accordance with Governor's recommendations January 12, 1998.

1 work done by its own employees, nor shall it apply to repairs, or to
2 the furnishing of materials, supplies or labor, or the hiring of
3 equipment or vehicles, when the safety or protection of its or other
4 public property or the public convenience require, or the exigency of
5 the authority's service will not admit of such advertisement. In such
6 case the authority shall, by resolution, passed by the affirmative vote
7 of a majority of its members, declare the exigency or emergency to
8 exist, and set forth in the resolution the nature thereof and the
9 approximate amount to be so expended.

10 b. Commencing January 1, 1985, the Governor, in consultation
11 with the Department of the Treasury, shall, no later than March 1 of
12 each odd-numbered year, adjust the threshold amount set forth in
13 subsection a. of this section, or subsequent to 1985 the threshold
14 amount resulting from any adjustment under this subsection, in direct
15 proportion to the rise or fall of the consumer price index for all urban
16 consumers in the New York City and the Philadelphia areas as
17 reported by the United States Department of Labor. The Governor
18 shall, no later than June 1 of each odd-numbered year, notify the
19 authority of the adjustment. The adjustment shall become effective
20 on July 1 of each odd-numbered year.

21 c. The authority shall adopt regulations, pursuant to the
22 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
23 seq.), to provide open and competitive procedures for awarding
24 contracts for towing and storage services. ¹Towing and storage
25 services on a highway project may be provided on a rotating basis,
26 provided that the authority determines that there would be no
27 additional cost to the authority ², excepting administrative costs,² as
28 a result of those services being provided on a rotating basis.¹ The
29 regulations shall fix maximum towing and storage fees. ²[subject to
30 regulations promulgated by the Commissioner of Banking and
31 Insurance pursuant to section 60 of P.L.1990, c.8 (C.17:33B-47).]²
32 and establish objective criteria to be considered in awarding a contract
33 for towing and storage services which shall include, but shall not be
34 limited to, reliability, experience, response time, acceptance of credit
35 cards and prepaid towing contracts, adequate equipment to safely
36 handle a sufficient volume of common vehicle types under a variety of
37 traffic and weather conditions, location of storage and repair facilities,
38 security of vehicles towed or stored, financial return to the authority,
39 ²[and]² maintenance of adequate liability insurance ²and appropriate
40 safeguards to protect the personal safety of customers, including
41 considerations related to the criminal background of employees. The
42 Division of Consumer Affairs in the Department of Law and Public
43 Safety shall provide, at the authority's request, a report to the
44 authority on any prospective contractor for which the Division has
45 information relevant to the prospective contractor's service record,
46 subject to the provisions of the New Jersey consumer fraud act,

1 P.L.1960, c.39 (C. 56:8-1 et. seq.). The Division of Insurance Fraud
2 Prevention in the Department of Banking and Insurance also shall
3 provide, at the authority's request, a report to the authority on any
4 prospective contractor for which the Division has information relevant
5 to the prospective contractor's service record, subject to the "New
6 Jersey Insurance Fraud Prevention Act," P.L.1983, c.320 (C. 17:33A-
7 1 et seq.)². ²[Towing and storage fees, set by the authority, shall not
8 be considered in awarding a contract for towing and storage
9 services.]²

10 (cf: P.L.1984, c.128, s.3)

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12 2. This act shall take effect immediately and shall apply to
13 contracts entered into on and after the 60th day following the effective
14 date of this act and to renewals of contracts entered into prior to the
15 effective date of this act, which renewals are effectuated after the 60th
16 day following the effective date of this act.

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21 Requires New Jersey Highway Authority to implement open and
22 competitive contracting procedures for contracts for towing and
23 storage services.