

SENATE, No. 612

STATE OF NEW JERSEY

INTRODUCED JANUARY 29, 1996

By Senators INVERSO and LIPMAN

1 AN ACT concerning the purchase of goods and services by the State  
2 and other contracting entities and supplementing P.L.1954, c.48  
3 (C.52:34-6 et seq.), chapter 34 of Title 52 of the Revised Statutes,  
4 P.L.1971, c.198 (C.40A:11-1 et seq.), chapter 18A of Title 18A of  
5 the New Jersey Statutes, P.L.1986, c.43 (C.18A:64-52 et seq.),  
6 and P.L.1982, c.189 (C.18A:64A-25.1 et seq.).  
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8 **BE IT ENACTED** by the Senate and General Assembly of the State  
9 of New Jersey:

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11 1. Notwithstanding the provisions of P.L.1954, c.48 (C.52:34-6 et  
12 seq.) to the contrary, and as an alternative to the procedures  
13 concerning the awarding of public contracts pursuant to that act, the  
14 Director of the Division of Purchase and Property in the Department  
15 of the Treasury may purchase goods and services, for State agencies  
16 and for the entities defined in section 1 of P.L.1959, c.40 (C.52:27B-  
17 56.1), from the Federal Supply Schedules of the Federal General  
18 Services Administration as permitted by the "Federal Acquisition  
19 Streamlining Act of 1994," Pub.L.No.103-355, and regulations  
20 adopted pursuant to that law and by the rules and regulations which  
21 the director may promulgate pursuant to the "Administrative  
22 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).  
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25 2. Notwithstanding the provisions of any other law to the contrary,  
26 and as an alternative to the procedures concerning the awarding of  
27 public contracts pursuant to the applicable statutes, the State  
28 authorities authorized to contract independently under various  
29 provisions of State law may, without advertising for bids, or having  
30 rejected all bids obtained pursuant to advertising, purchase goods and  
31 services from the Federal Supply Schedules of the Federal General  
32 Services Administration as permitted by the "Federal Acquisition  
33 Streamlining Act of 1994," Pub.L.No.103-355, and regulations  
34 adopted pursuant to that law and by the rules and regulations which  
35 the authority may adopt.

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37 3. Notwithstanding the provisions of the "Local Public Contracts  
Law," P.L.1971, c.198 (C.40A:11-1 et seq.), to the contrary, and as

1 an alternative to the procedures concerning the awarding of public  
2 contracts pursuant to that act, the governing body may, without  
3 advertising for bids, or having rejected all bids obtained pursuant to  
4 advertising, purchase goods and services from the Federal Supply  
5 Schedules of the Federal General Services Administration as permitted  
6 by the "Federal Acquisition Streamlining Act of 1994," Pub.L.No.103-  
7 355, and regulations adopted pursuant to that law and by the rules and  
8 regulations which the governing body may adopt.

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10 4. Notwithstanding the provisions of the "Public School Contracts  
11 Law," N.J.S.18A:18A-1 et seq., to the contrary, and as an alternative  
12 to the procedures concerning the awarding of public contracts  
13 pursuant to that act, the board of education may, without advertising  
14 for bids, or having rejected all bids obtained pursuant to advertising,  
15 purchase goods and services from the Federal Supply Schedules of the  
16 Federal General Services Administration as permitted by the "Federal  
17 Acquisition Streamlining Act of 1994," Pub.L.No.103-355, and  
18 regulations adopted pursuant to that law and by the rules and  
19 regulations which the board of education may adopt.

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21 5. Notwithstanding the provisions of the "State College Contracts  
22 Law," P.L.1986, c.43 (C.18A:64-52 et seq.), to the contrary, and as  
23 an alternative to the procedures concerning the awarding of public  
24 contracts pursuant to that act, the board of trustees may, without  
25 advertising for bids, or having rejected all bids obtained pursuant to  
26 advertising, purchase goods and services from the Federal Supply  
27 Schedules of the Federal General Services Administration as permitted  
28 by the "Federal Acquisition Streamlining Act of 1994," Pub.L.No.103-  
29 355, and regulations adopted pursuant to that law and by the rules and  
30 regulations which the board of trustees may adopt.

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32 6. Notwithstanding the provisions of the "County College  
33 Contracts Law," P.L.1982, c.189 (C.18A:64A-25.1 et seq.), to the  
34 contrary, and as an alternative to the procedures concerning the  
35 awarding of public contracts pursuant to that act, the county college  
36 may, without advertising for bids, or having rejected all bids obtained  
37 pursuant to advertising, purchase goods and services from the Federal  
38 Supply Schedules of the Federal General Services Administration as  
39 permitted by the "Federal Acquisition Streamlining Act of 1994,"  
40 Pub.L.No.103-355, and regulations adopted pursuant to that law and  
41 by the rules and regulations which the county college may adopt.

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43 7. a. Notwithstanding the provisions of any other law to the  
44 contrary, and as an alternative to the procedures concerning the  
45 awarding of public contracts provided in P.L.1954, c.48 (C.52:34-6 et  
46 seq.), the Director of the Division of Purchase and Property in the

1 Department of the Treasury may enter into cooperative purchasing  
2 agreements with one or more other states, or political subdivisions  
3 thereof, for the purchase of goods and services. A cooperative  
4 purchasing agreement shall allow the jurisdictions which are parties  
5 thereto to standardize and combine their requirements for the purchase  
6 of a particular good or service into a single contract solicitation which  
7 shall be competitively bid and awarded by one of the jurisdictions on  
8 behalf of jurisdictions participating in the contract.

9 b. The director may elect to purchase goods or services through a  
10 contract awarded pursuant to a cooperative purchasing agreement  
11 whenever the director determines this to be the most cost- effective  
12 method of procurement. Prior to entering into any contract to be  
13 awarded through a cooperative purchasing agreement, the director  
14 shall review and approve the specifications and proposed terms and  
15 conditions of the contract.

16 c. The director may solicit bids and award contracts on behalf of  
17 this State and other jurisdictions which are parties to a cooperative  
18 purchasing agreement provided that the agreement specifies that each  
19 jurisdiction participating in a contract is solely responsible for the  
20 payment of the purchase price and cost of purchases made by it under  
21 the terms of any contract awarded pursuant to the agreement.

22 d. The director may promulgate rules and regulations pursuant to  
23 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
24 seq.), which are necessary to effectuate the purposes of this section.

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26 8. This act shall take effect immediately.  
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#### 29 STATEMENT 30

31 This bill authorizes the Director of the Division of Purchase and  
32 Property in the Department of the Treasury, as well as authorities,  
33 State and county colleges, county and municipal governments, and  
34 school districts, to use the Federal Supply Schedules of the Federal  
35 General Services Administration to the extent permitted by the  
36 "Federal Acquisition Streamlining Act of 1994," Pub.L.No.103-355,  
37 signed into law on October 13, 1994. The Legislature's grant of this  
38 authority to purchase from the Federal Supply Schedules would  
39 provide an alternative to the current statutory procedures concerning  
40 the award of contracts.

41 The bill additionally authorizes the Director of the Division of  
42 Purchase and Property in the Department of the Treasury to enter into  
43 cooperative purchasing agreements with other states or their political  
44 subdivisions for the purchase of goods and services. The parties to a  
45 cooperative purchasing agreement would be able to standardize and  
46 combine their requirements for the purchase of a particular good or

1 service into a single contract solicitation which would be competitively  
2 bid and awarded by one of the parties on behalf of the jurisdictions  
3 participating in the contract. Participation in any particular contract  
4 under the agreement would be voluntary.

5 The bill provides that the director may elect to purchase through a  
6 contract awarded pursuant to a cooperative purchasing agreement  
7 whenever the director determines that this would be the most cost-  
8 effective method of procurement. It requires the director to review  
9 and approve the provisions of any contract to be awarded through a  
10 cooperative purchasing agreement. The bill also authorizes the  
11 director to solicit bids and award contracts on behalf of this State and  
12 other parties to a cooperative purchasing agreement so long as each  
13 jurisdiction participating in the contract is responsible for the payment  
14 of the purchase price and cost of purchases made by it under the  
15 contract.

16 Cooperative purchasing agreements would enable New Jersey to  
17 benefit from procurements which are more cost-effective because of  
18 volume purchasing, standardized specifications, and increased leverage  
19 in the marketplace.

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24 Permits State, authorities, public colleges, local governments, and  
25 school districts to purchase goods and services through Federal Supply  
26 Schedules, and permits State to enter into certain cooperative  
27 purchasing agreements.