

SENATE, No. 1114

STATE OF NEW JERSEY

INTRODUCED MAY 9, 1996

By Senator EWING

1 AN ACT concerning State college contracts and amending P.L.1986,
2 c.43.

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 3 of P.L.1986, c.43 (C.18A:64-54) is amended to read
8 as follows:

9 3. a. Any purchase, contract or agreement for the performance of
10 any work or the furnishing or hiring of materials or supplies, the cost
11 or price of which, together with any sums expended for the
12 performance of any work or services in connection with the same
13 project or the furnishing of similar materials or supplies during the
14 same fiscal year, paid with or out of college funds, does not exceed the
15 total sum of [~~\$7,500.00~~] \$25,000 or, commencing January 1, [~~1985~~]
16 1997, the amount determined pursuant to subsection b. of this section,
17 in any fiscal year may be made, negotiated and awarded by a
18 contracting agent, when so authorized by resolution of the board of
19 trustees of the State college without public advertising for bids and
20 bidding therefor.

21 b. Commencing January 1, [~~1985~~] 1997 and every two years
22 thereafter, the Governor, in consultation with the Department of the
23 Treasury, shall adjust the threshold amount set forth in subsection a.
24 of this section in direct proportion to the rise or fall of the Consumer
25 Price Index for all urban consumers in the New York and Northeastern
26 New Jersey and the Philadelphia areas, as reported by the United
27 States Department of Labor. The adjustment shall become effective
28 on July 1 of the year in which it is reported.

29 c. Any purchase, contract or agreement made pursuant to this
30 section may be awarded for a period of 12 consecutive months,
31 notwithstanding that the 12-month period does not coincide with the
32 fiscal year.

33 (cf: P.L.1994, c.48, s.110)

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 2. Section 4 of P.L.1986, c.43 (C.18A:64-55) is amended to read
2 as follows:

3 4. Every contract or agreement for the performance of any work
4 or the furnishing or hiring of any materials or supplies, the cost or the
5 contract price of which is to be paid with or out of college funds, not
6 included within the terms of section 3 of this article, shall be made and
7 awarded only by the State college after public advertising for bids and
8 bidding therefor, except as provided otherwise in this article or
9 specifically by any other law. No work, materials or supplies shall be
10 undertaken, acquired or furnished for a sum exceeding in the
11 aggregate[~~\$7,500.00~~] \$25,000 or, commencing January 1, [1985]
12 1997, the amount determined pursuant to subsection b. of section 3
13 of [this act] P.L.1986, c.43 (C.18A:64-54), except by written contract
14 or agreement.

15 (cf: P.L.1986, c.43, s.4)

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17 3. Section 6 of P.L.1986, c.43 (C.18A:64-57) is amended to read
18 as follows:

19 6. Any purchase, contract, or agreement may be made, negotiated
20 or awarded by a State college without public advertising for bids and
21 bidding therefor, notwithstanding that the cost or contract price will
22 exceed[~~\$7,500.00~~] \$25,000 or, commencing January 1, [1985] 1997,
23 the amount determined pursuant to subsection b. of section 3 of [this
24 act] P.L.1986, c.43 (C.18A:64-54), when an emergency affecting the
25 health, safety or welfare of occupants of college property requires the
26 immediate delivery of the materials or supplies or the performance of
27 the work, if the purchases, contracts or agreements are awarded or
28 made in the following manner:

29 a. A written requisition for the performance of the work or the
30 furnishing of materials or supplies, certified by the employee in charge
31 of the building, facility or equipment where the emergency occurred,
32 is filed with the contracting agent or his deputy in charge describing
33 the nature of the emergency, the time of its occurrence, and the need
34 for invoking this section. The contracting agent, or his deputy in
35 charge, being satisfied that the emergency exists, is authorized to
36 award a contract for the work, materials or supplies.

37 b. Upon the furnishing of the work, materials or supplies in
38 accordance with the terms of the contract or agreement, the contractor
39 furnishing the work, materials or supplies is entitled to be paid
40 therefor and the State college is obligated for the payment.

41 c. The board of trustees may prescribe rules and procedures to
42 implement the requirements of this section.

43 (cf: P.L.1986, c.43, s.6)

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45 4. Section 26 of P.L.1986, c.43 (C.18A:64-78) is amended to read
46 as follows:

1 26. Any college may, by resolution of its board of trustees,
2 authorize the sale in the following manner of its personal property not
3 needed for college purposes:

4 a. If the estimated fair value of the property to be sold
5 exceeds[~~\$7,500.00~~] \$25,000 or, commencing January 1, [~~1985~~] 1997,
6 the amount determined pursuant to subsection b. of section 3 of [this
7 act] P.L.1986, c.43 (C.18A:64-54), in any one sale and the property
8 does not consist of perishable goods, it shall be sold at public sale to
9 the highest bidder.

10 b. Notice of the date, time and place of the public sale, together
11 with a description of the items to be sold and the conditions of sale,
12 shall be published once in a legal newspaper. Sales shall be held not
13 less than seven nor more than 14 days after the publication of the
14 notice thereof.

15 c. Personal property may be sold to the United States, the State of
16 New Jersey, another college or to any body politic by private sale
17 without advertising for bids.

18 d. If no bids are received, the property may then be sold at private
19 sale without further publication or notice thereof but in no event at
20 less than the estimated fair value; or the State college may, if it so
21 elects, reoffer the property at public sale. As used herein, "estimated
22 fair value" means the market value of the property if sold by a willing
23 seller to a willing buyer less the cost to the college of continuing to
24 store or maintain the property.

25 e. A State college may reject all bids if it determines a rejection to
26 be in the public interest. In any case in which the college has rejected
27 all bids, it may readvertise the personal property for a subsequent
28 public sale. If it elects to reject all bids at a second public sale pursuant
29 to this section, it may then sell the personal property without further
30 publication or notice thereof at private sale, but in no event shall the
31 negotiated price at the private sale be less than the amount of the
32 highest bid rejected at the preceding two public sales, nor shall the
33 terms or conditions of sale be changed or amended.

34 f. If the estimated fair value of the property to be sold does not
35 exceed[~~\$7,500.00~~] \$25,000 or, commencing January 1, [~~1985~~] 1997,
36 the amount determined pursuant to subsection b. of section 3 of [this
37 act] P.L.1986, c.43 (C.18A:64-54), in any one sale or the property
38 consists of perishable goods, it may be sold at private sale without
39 advertising for bids.

40 (cf: P.L.1986, c.43, s.27)

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42 5. This act shall take effect immediately.

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STATEMENT

This bill raises the statutory amount of the State college bidding threshold from \$7,500 to \$25,000. The threshold is the amount beyond which public bidding is required. Currently, the threshold is \$11,100, which represents the statutory amount of \$7,500 plus the biennial adjustments which have been made since 1985. Under the bill, the next biennial adjustment would be made on January 1, 1997.

Raises state college bidding threshold to \$25,000.