

SENATE, No. 1801

STATE OF NEW JERSEY

INTRODUCED JANUARY 23, 1997

By Senator LaROSSA

1 AN ACT concerning certain public contracts and supplementing Title  
2 52 of the Revised Statutes.

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

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7 1. a. Whenever a public entity proposes to solicit bids from private  
8 entities in connection with a contract for work or services which  
9 would result in the loss of public employee jobs, the public entity shall  
10 first prepare a cost analysis which shall evaluate the circumstances  
11 under which it may be more cost-effective to use a private entity or  
12 public employees to perform the work or service. If, after reviewing  
13 the circumstances and the cost analysis, the public entity determines  
14 to solicit bids from private entities, it shall allow the affected  
15 employees the opportunity to bid on the contract. A bid submitted by  
16 public employees shall be considered along with any bids submitted by  
17 private entities. If the contract is awarded to the public employees,  
18 the public employees shall continue in public employment but under  
19 the terms and conditions of the contract. Public employees who are  
20 covered by a collective bargaining agreement may be represented in  
21 the preparation and submittal of the employees' bid by the employees'  
22 bargaining representative. Public employees who are not covered by  
23 a collective bargaining agreement may organize and select a qualified  
24 party to represent the employees in preparing and submitting a bid.  
25 The public entity shall provide the employees with any necessary  
26 assistance in preparing and submitting a bid.

27 b. A bid submitted by public employees shall include the estimated  
28 cost of base expenses and contract management expenses, including  
29 the cost of salaries, fringe benefits, service and supplies, and  
30 equipment; contractor support costs; and any one-time costs.

31 c. Notwithstanding the provisions of any other law to the contrary,  
32 when submitting a bid public employees may agree to accept  
33 modifications in salaries, fringe benefits and working conditions,  
34 except that the pension rights of any employee who is a member of a  
35 publicly-administered retirement system shall not be affected.

36 d. The provisions of this act shall be a condition of any collective  
37 bargaining agreement entered into after the effective date of this act

1 between a public entity and its employees.

2 e. A cost analysis prepared by a public entity pursuant to this act  
3 shall be accessible as a public record under P.L.1963, c.73 (C.47:1A-1  
4 et seq.).

5 f. As used in this act, "public entity" means the State, any county,  
6 municipality, school district, public authority, public agency and any  
7 other political subdivision or public body in the State.

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9 2. This act shall take effect immediately.

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12 STATEMENT

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14 This bill would allow public employees the opportunity to bid on  
15 certain contracts which may result in the privatization of a public  
16 function. It provides that whenever a public entity proposes to solicit  
17 bids from private entities in connection with a contract for work or  
18 services which would result in the loss of public employee jobs, the  
19 public entity shall first prepare a cost analysis which shall evaluate the  
20 circumstances under which it may be more cost-effective to use a  
21 private entity or public employees to perform the work or service. If,  
22 after reviewing the circumstances and the cost analysis, the public  
23 entity determines to solicit bids from private entities, it shall allow the  
24 affected employees the opportunity to bid on the contract.

25 If the public employees are awarded the contract, they would  
26 continue in public employment but under the terms and conditions of  
27 the contract. Public employees covered by a union contract may be  
28 represented in the bidding process by the employees' bargaining  
29 representative. Other public employees may organize and select a  
30 qualified party to represent them in submitting a bid. The public entity  
31 would be required to provide the employees with any necessary  
32 assistance in preparing and submitting a bid. The bill's provisions  
33 would be a condition of any collective bargaining agreement entered  
34 into after the bill's effective date. When submitting a bid public, public  
35 employees may agree to accept modifications in salaries, fringe  
36 benefits and working conditions. However, the pension rights of any  
37 public employee may not be affected.

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43 Allows public employees the opportunity to bid on contracts which  
would privatize certain public functions.