

ASSEMBLY, No. 409

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman EDWARD H. THOMSON

District 30 (Monmouth and Ocean)

SYNOPSIS

Provides preference for in-State businesses in State contracting.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** providing a preference for in-State businesses in State
2 contracting and supplementing Title 52 of the Revised Statutes.

3

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

6

7 1. Notwithstanding the provisions of any other law to the
8 contrary, whenever the Director of the Division of Property
9 Management and Construction, the Director of the Division of
10 Purchase and Property, or the head of any State agency shall
11 consider bids on any contract for the purchase of goods or services
12 that is publicly advertised for bids, the director or the head of a
13 State agency shall list the bidders in order based upon which bid,
14 conforming to the invitation for bids, would be most advantageous
15 to the State, price and other factors considered. If the first bidder
16 on the list has its principal place of business in this State it shall be
17 awarded the contract. If no bidder having its principal place of
18 business in this State has submitted a bid that is within five percent
19 of the bid submitted by the bidder at the top of the list that has its
20 principal place of business outside of this State, the contract shall
21 be awarded to the bidder at the top of the list. If the first bidder on
22 the list has its principal place of business outside of this State and a
23 bidder that has its principal place of business in this State is on the
24 list and has submitted a bid that is within five percent of the bid
25 submitted by the bidder at the top of the list that has its principal
26 place of business outside of this State, the contract shall be awarded
27 to that in-State bidder.

28 Any specifications for the provision or performance of goods or
29 services under this act shall be drafted in a manner to encourage
30 free, open and competitive bidding.

31 Any specification which knowingly excludes prospective bidders
32 by reason of the impossibility of performance, bidding or
33 qualifications by any but one bidder shall be null and void and of no
34 effect.

35 As used in this section, "State agency" means any principal
36 department in the Executive Branch of State government, and any
37 division, board, bureau, office, commission or other instrumentality
38 within or created by such department, and any independent State
39 authority, commission, instrumentality or agency, other than in the
40 Legislative or Judicial Branches of State government, which is
41 authorized by law to award public contracts.

42 The State Treasurer shall adopt such rules and regulations as may
43 be necessary to implement the provisions of this section pursuant to
44 the "Administrative Procedure Act, P.L.1968, c.410 (C.52:14B-
45 1 et seq.).

46

47 2. This act shall take effect immediately.

STATEMENT

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3 This bill provides that whenever bids are considered on any State
4 contract for the purchase of goods or services that is publicly
5 advertised for bids the bidders shall be listed in order based upon
6 which bid, conforming to the invitation for bids, would be most
7 advantageous to the State, price and other factors considered. If the
8 first bidder on the list has its principal place of business in this State
9 it shall be awarded the contract. If no bidder having its principal
10 place of business in this State has submitted a bid that is within five
11 percent of the bid submitted by the bidder at the top of the list that
12 has its principal place of business outside of this State, the contract
13 will be awarded to the bidder at the top of the list. If the first bidder
14 on the list has its principal place of business outside of this State
15 and a bidder that has its principal place of business in this State is
16 on the list and has submitted a bid that is within five percent of the
17 bid submitted by the bidder at the top of the list that has its
18 principal place of business outside of this State, the contract will be
19 awarded to that in-State bidder.
20 The bill permits large State contracts to be unbundled to allow
21 New Jersey businesses who may not have the capacity to compete
22 for the entire award an opportunity to compete for part of the
23 award. Plans and specifications for the provision of goods or
24 services under this bill will be drafted in a manner to encourage
25 free, open and competitive bidding.