ASSEMBLY, No. 1126

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

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SYNOPSIS

Allows certain State agencies to sell Internet advertisements on agencies' websites as pilot program.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

AN ACT allowing certain State agencies to sell Internet advertisements on the agencies' websites as a pilot program and supplementing chapter 32 of Title 52 of the Revised Statutes.

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

1. The Legislature finds that State agency websites provide timely and useful information to the public about State agency programs and services. These websites are informative in nature and do not serve as a public forum or a limited public forum for the discussion or exchange of ideas. The Legislature further finds that allowing State agencies to sell Internet advertisements for display on their web pages could provide new sources of revenue for the State, particularly for those State agencies that maintain high-traffic web pages. Therefore, the Legislature intends to allow a limited number of State agencies to establish a pilot program to sell Internet advertisements for display on their websites, provided that the advertisements are consistent with the business mission of the agency as well as any Internet advertisement guidelines adopted by the agency.

2. Beginning 90 days following the enactment of P.L. , c. , (C.) (pending before the Legislature as this bill), the Economic Development Authority and the New Jersey Lottery, on behalf of the State of New Jersey, each shall establish a three-year pilot program to begin selling Internet advertisements for display on those agencies websites. In locations where Internet advertisements are offered on a State agency web page, the web page shall also include a disclaimer, indicating that the inclusion of Internet advertisements does not imply endorsement by the State.

Not later than three months after the conclusion of the pilot program by the State agency, the agency shall submit a report to the Governor and the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) that evaluates the effectiveness of the pilot program. The report shall include a detailed summary of both the expenditures made and the revenues produced under the program, as well as recommendations concerning whether to continue the program.

For the purposes of P.L. , c. (C.)(pending before the Legislature as this bill), "Internet advertisement" means specific advertising methods on the internet, including display or banner advertisements, sponsorships, and business listings where goods or services may be purchased online.

3. Prior to selling Internet advertisements, a State agency shall develop policy, style, and content guidelines for Internet advertisements that ensure that the subject matter of any Internet

advertisement displayed by the agency directly relates to the business mission and purpose of the agency. The head of the agency, to the maximum extent practicable, shall enter into contracts for Internet advertisements with businesses based in this State, unless the head of the agency determines it to be inconsistent with the public interest.

4. Revenue generated from the sale of Internet advertisements under P.L. , c. (C.) (pending before the Legislature as this bill) shall be deposited into the State General Fund by the State agencies named in section 2 of P.L. , c. (C.) (pending before the Legislature as this bill) for which expenditures are authorized through the State annual appropriations act. There shall be appropriated annually such funds as are determined to be necessary to each such agency for the incremental cost of offering Internet advertisements and an additional ten percent of such revenue generated by that agency for the purpose of innovation in operations, programs or services.

For the agencies not funded through the State annual appropriations act, the agency shall remit to the State Treasurer such revenue generated from the sale of Internet advertisements as shall remain after deductions by the agency for the incremental cost of offering Internet advertisements and of an additional ten percent for the purpose of innovation in operations, programs or services.

5. This act shall take effect immediately and shall expire upon the submission of the report required pursuant to section 2 of this act.

STATEMENT

This bill authorizes the Economic Development Authority and the New Jersey Lottery to each establish a three-year pilot program to sell Internet advertisements for display on the agencies' websites. Each agency's website must include a disclaimer stating that the advertisements do not imply endorsement by the State. "Internet advertisement" is defined to mean specific advertising methods on the Internet, including display or banner advertisements, sponsorships, and business listings where goods or services may be purchased online.

The bill provides that each agency must develop policy, style, and content guidelines for website advertisements that ensure that the subject matter of the advertisement directly relates to the agency's business mission and purpose. Revenue generated will be deposited into the State General Fund by agencies for which expenditures are authorized through the annual appropriations act. For agencies not provided for through the annual appropriations act,

the agency will remit to the State Treasurer such revenue generated from the sale of Internet advertisements as remains after deductions by the entity for the incremental cost of offering Internet advertisements and of an additional ten percent of such revenue for the purpose of innovation in operations, programs or services.

The bill requires each agency, not later than three months after the conclusion of the pilot program, to submit a detailed report to the Governor and the Legislature evaluating the effectiveness of the program, including a summary of expenditures and revenues under the program, together with recommendations concerning whether to continue the program. The purpose of the bill is to provide new sources of revenue for the State, particularly for State agencies that maintain high-traffic web pages.