SENATE, No. 949

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JANUARY 27, 2020

Sponsored by:
Senator TROY SINGLETON
District 7 (Burlington)

SYNOPSIS

Increases disclosure of political contributions by business entities with public contracts; creates uniform law for contributions by such entities; repeals local option to set contribution limits for business entities.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning political contributions and disclosures by certain business entities with certain government contracts, amending P.L.2004, c.19, P.L.2005, c.51, and P.L.2005, c.271, supplementing P.L.2004, c.19 (C.19:44A-20.3 et seq.), and repealing various parts of the statutory law.

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

1. (New section) Notwithstanding the provisions of any other law to the contrary:

a State agency in the Executive Branch shall not enter into a contract having an anticipated value in excess of $17,500, as determined in advance and certified in writing by the State agency, with a business entity if, during the preceding one-year period, that business entity has made a contribution to any candidate committee of the Governor and the Lieutenant Governor serving when the contract is awarded, or to a political committee or continuing political committee; and

a business entity that has entered into a contract having an anticipated value in excess of $17,500 with a State agency in the Executive Branch shall not make a contribution to any candidate committee of the Governor and the Lieutenant Governor serving when the contract is awarded, or to a political committee or continuing political committee, during the term of that contract.

No such committee shall accept such a contribution from a business entity during the term of its contract with a State agency in the Executive Branch.

2. Section 2 of P.L.2004, c.19 (C.19:44A-20.3) is amended to read as follows:

2. Notwithstanding the provisions of any other law to the contrary:

a State agency in the Legislative Branch shall not enter into a contract having an anticipated value in excess of $17,500, as determined in advance and certified in writing by the State agency, with a business entity, that requires approval by a presiding officer of either or both houses of the Legislature**[**, except a contract that is awarded pursuant to a fair and open process,**]** if, during the preceding one-year period, that business entity has made a contribution**[**, reportable by the recipient under P.L.1973, c.83 (C.19:44A-1 et seq.), to the State committee of the political party of which that presiding officer, serving when the contract is awarded, is a member, or**]** to a legislative leadership committee or any

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined <u>thus</u> is new matter.

candidate committee established by that presiding officer, or to a political committee or continuing political committee; and

a business entity that has entered into a contract having an anticipated value in excess of $17,500 with a State agency in the Legislative Branch, that requires approval by a presiding officer of either or both houses of the Legislature[, except a contract that is awarded pursuant to a fair and open process,] shall not make a contribution[, reportable by the recipient under P.L.1973, c.83 (C.19:44A-1 et seq.), to the State committee of the political party of which that presiding officer is a member, or] to a legislative leadership committee or any candidate committee established by that presiding officer, or to a political committee or continuing political committee, during the term of that contract.

No such committee shall accept such a contribution from a business entity during the term of its contract with a State agency in the Legislative Branch.

(cf: P.L.2004, c.19, s.2)

3. Section 3 of P.L.2004, c.19 (C.19:44A-20.4) is amended to read as follows:

3. Notwithstanding the provisions of any other law to the contrary:

a county, or any agency or instrumentality thereof, shall not enter into a contract having an anticipated value in excess of $17,500, as determined in advance and certified in writing by the county, agency or instrumentality, with a business entity[, except a contract that is awarded pursuant to a fair and open process,] if, during the preceding one-year period, that business entity has made a contribution [that is reportable by the recipient under P.L.1973, c.83 (C.19:44A-1 et seq.), to any county committee of a political party in that county if a member of that political party is serving in an elective public office of that county when the contract is awarded or] to any candidate committee of any person serving in an elective public office of that county when the contract is awarded or to a political committee or continuing political committee; and

a business entity that has entered into a contract having an anticipated value in excess of $17,500 with a county, or any agency or instrumentality thereof, [except a contract that is awarded pursuant to a fair and open process,] shall not make such a contribution [reportable by the recipient under P.L.1973, c.83 (C.19:44A-1 et seq.), to any county committee of a political party in that county if a member of that political party is serving in an elective public office of that county when the contract is awarded or] to any candidate committee of any person serving in an elective public office of that county when the contract is awarded, during the term of that contract or to a political committee or continuing political committee.

No such committee shall accept such a contribution from a business entity during the term of its contract with the county.
(cf: P.L.2004, c.19, s.3)

4. Section 4 of P.L.2004, c.19 (C.19:44A-20.5) is amended to read as follows:

4. Notwithstanding the provisions of any other law to the contrary:

a municipality, or any agency or instrumentality thereof, shall not enter into a contract having an anticipated value in excess of $17,500, as determined in advance and certified in writing by the municipality, agency or instrumentality, with a business entity**[**, except a contract that is awarded pursuant to a fair and open process,**]** if, during the preceding one-year period, that business entity has made a contribution **[**that is reportable by the recipient under P.L.1973, c.83 (C.19:44A-1 et seq.), to any municipal committee of a political party in that municipality if a member of that political party is serving in an elective public office of that municipality when the contract is awarded or**]** to any candidate committee of any person serving in an elective public office of that municipality when the contract is awarded or to a political committee or continuing political committee; and

a business entity that has entered into a contract having an anticipated value in excess of $17,500 with a municipality, or any agency or instrumentality thereof, **[**except a contract that is awarded pursuant to a fair and open process,**]** shall not make such a contribution**[**, reportable by the recipient under P.L.1973, c.83 (C.19:44A-1 et seq.), to any municipal committee of a political party in that municipality if a member of that political party is serving in an elective public office of that municipality when the contract is awarded or**]** to any candidate committee of any person serving in an elective public office of that municipality when the contract is awarded or to a political committee or continuing political committee, during the term of that contract.

No such committee shall accept such a contribution from a business entity during the term of its contract with the municipality.
(cf: P.L.2004, c.19, s.4)

5. Section 5 of P.L.2004, c.19 (C.19:44A-20.6) is amended to read as follows:

5. **[**When a business entity is a natural person, a contribution by that person's spouse or child, residing therewith, shall be deemed to be a contribution by the business entity.**]**

When a business entity is other than a natural person, a contribution by any person or other business entity having an interest therein shall be deemed to be a contribution by the business entity. The provision of this section shall apply to P.L.2004, c.19 (C.19:44A-20.3 et seq.), sections 2 and 3 of P.L.2005, c.271

(C.19:44A-20.26 and C.19:44A-20.27), and sections 1, 6, 7, and 19 of P.L. , c. (C.) (pending before the Legislature as this bill).

(cf: P.L.2004, c.19, s.5)

6. (New section) Notwithstanding the provisions of any other law to the contrary:

a local board of education, or any agency or instrumentality thereof, shall not enter into a contract having an anticipated value in excess of $17,500, as determined in advance and certified in writing by the board, agency, or instrumentality, with a business entity if, during the preceding one-year period, that business entity has made a contribution to any candidate committee of any person serving in an elective public office of that board when the contract is awarded or to a political committee or continuing political committee; and

a business entity that has entered into a contract having an anticipated value in excess of $17,500 with a local board of education, or any agency or instrumentality thereof, shall not make such a contribution to any candidate committee of any person serving in an elective public office of that board when the contract is awarded or to a political committee or continuing political committee, during the term of that contract.

No such committee shall accept such a contribution from a business entity during the term of its contract with the local board of education.

7. (New section) Notwithstanding the provisions of any other law to the contrary:

a board of fire commissioners of a fire district, or any agency or instrumentality thereof, shall not enter into a contract having an anticipated value in excess of $17,500, as determined in advance and certified in writing by the board, agency, or instrumentality, with a business entity if, during the preceding one-year period, that business entity has made a contribution to any candidate committee of any person serving in an elective public office of that board when the contract is awarded or to a political committee or continuing political committee; and

a business entity that has entered into a contract having an anticipated value in excess of $17,500 with a board of fire commissioners of a fire district, or any agency or instrumentality thereof, shall not make such a contribution to any candidate committee of any person serving in an elective public office of that board when the contract is awarded or to a political committee or continuing political committee, during the term of that contract.

No such committee shall accept such a contribution from a business entity during the term of its contract with the board.

8. Section 6 of P.L.2004, c.19 (C.19:44A-20.7) is amended to read as follows:

6. As used in sections 2 through 11 of [this act] P.L.2004, c.19 (C.19:44A-20.3 through C.19:44A-20.12), sections 2 and 3 of P.L.2005, c.271 (C.19:44A-20.26 and C.19:44A-20.27), and sections 1, 6, 7, and 19 of P.L. , c. (C.) (pending before the Legislature as this bill):

"business entity" means [any natural or legal person, business corporation, professional services corporation, limited liability company, partnership, limited partnership, business trust, association or any other legal commercial entity organized under the laws of this State or of any other state or foreign jurisdiction]

a for-profit entity as follows:

a corporation, the corporation, any officer or director of the corporation, and any person or business entity that owns or controls 10 percent or more of the stock of the corporation;

a general partnership, the partnership and any partner;

a limited partnership, the limited partnership and any partner;

a professional corporation, the professional corporation and any shareholder or officer;

a limited liability company, the limited liability company and any member;

a limited liability partnership, the limited liability partnership and any partner;

a sole proprietorship, the proprietor; and

any other form of for-profit entity organized under the laws of this State or any other state or foreign jurisdiction, the entity and any principal, officer, or partner.

The term shall include: (i) any subsidiary directly or indirectly controlled by the business entity; and (ii) any political organization organized under section 527 of the federal Internal Revenue Code (26 U.S.C. s.501) that is directly or indirectly controlled by the business entity, other than a candidate committee, political committee, or political party committee.

With respect to an individual who is included within the definition of business entity, the term shall include that individual's spouse, civil union partner, and child residing with the individual, except that a contribution made by such spouse, civil union partner, or child to a candidate for whom the contributor is entitled to vote or to a political party committee within whose jurisdiction the contributor resides shall be excluded unless the contribution is in violation of law; and

"contribution" means a contribution reportable by the recipient under "The New Jersey Campaign Contributions and Expenditures Reporting Act," P.L.1973, c.83 (C.19:44A-1 et seq.), of more than $1,000 in the aggregate by a business entity or collectively by individuals or entities with an interest in the business entity;

"independent expenditure committee" means a person, a group of two or more people, or an organization organized under section 527 of the federal Internal Revenue Code (26 U.S.C. s.527), or under paragraph (4) of subsection c. of section 501 of the federal Internal

Revenue Code (26 U.S.C. s.501), that does not fall within the definition of any other organization subject to the provisions of P.L.1973, c.83 (C.19:44A-1 et seq.), that engages in influencing or attempting to influence the outcome of any election or the nomination, election, or defeat of any person to any State or local elective public office, or the passage or defeat of any public question, or in providing political information on any candidate or public question, and raises or expends $3,000 or more in the aggregate for any such purpose annually, but does not coordinate its activities with any candidate or political party;

"interest" means the ownership or control of more than 10% of the profits or assets of a business entity or 10% of the stock in the case of a business entity that is a corporation for profit, as appropriate;

["fair and open process" means, at a minimum, that the contract shall be: publicly advertised in newspapers or on the Internet website maintained by the public entity in sufficient time to give notice in advance of the contract; awarded under a process that provides for public solicitation of proposals or qualifications and awarded and disclosed under criteria established in writing by the public entity prior to the solicitation of proposals or qualifications; and publicly opened and announced when awarded. The decision of a public entity as to what constitutes a fair and open process shall be final.**]**

"State agency in the Executive Branch" means any of the principal departments in the Executive Branch of the State Government, and any division, board, bureau, office, commission or other instrumentality within or created by such department, and any independent State authority, board, commission, instrumentality, or agency; and

"State agency in the Legislative Branch" means the Legislature of the State and any office, board, bureau or commission within or created by the Legislative Branch.

(cf: P.L.2005, c.51, s.14)

9. Section 7 of P.L.2004, c.19 (C.19:44A-20.8) is amended to read as follows:

7. a. Prior to awarding any contract, **[**except a contract that is awarded pursuant to a fair and open process,**]** a State agency in the Executive Branch or Legislative Branch, or a county, **[**or**]** a municipality, a local board of education, or a fire district shall require the business entity to which the contract is to be awarded to provide a written certification that it has not made a contribution that would bar the award of a contract **[**pursuant to this act**]**.

b. A business entity shall have a continuing duty to report to the Election Law Enforcement Commission any contributions that constitute a violation of **[**this act**]** P.L.2004, c.19 (C.19:44A-20.3 et seq.) and sections 1, 6, and 7 of P.L. , c. (C.) (pending

before the Legislature as this bill) that are made during the duration of a contract.
(cf: P.L.2005, c.51, s.15)

10. Section 8 of P.L.2004, c.19 (C.19:44A-20.9) is amended to read as follows:

8. If a business entity makes a contribution that would cause it to be ineligible to receive a public contract or, in the case of a contribution made during the term of a public contract, that would constitute a violation of this act, the business entity may request, in writing, within 60 days of the date on which the contribution was made, that the recipient thereof repay the contribution and, if repayment is received within those 60 days, the business entity would again be eligible to receive a contract or would no longer be in violation, as appropriate.

The provisions of this section shall apply to P.L.2004, c.19 (C.19:44A-20.3 et seq.) and sections 1, 6, and 7 of P.L. , c. (C.)(pending before the Legislature as this bill).
(cf: P.L.2004, c.19, s.8)

11. Section 9 of P.L.2004, c.19 (C.19:44A-20.10) is amended to read as follows:

9. A business entity which is determined by the Election Law Enforcement Commission to have willfully and intentionally made a contribution or failed to reveal a contribution in violation of **[**this act**]** sections 2 through 4 of P.L.2004, c.19 (C.19:44A-20.3 through C.19:44A-20.5) and sections 1, 6, and 7 of P.L. , c. (C.) (pending before the Legislature as this bill) may be liable to a penalty of up to the value of its contract with the public entity and may be debarred by the State Treasurer from contracting with any public entity for up to five years.
(cf: P.L.2004, c.19, s.9)

12. Section 10 of P.L.2004, c.19 (C.19:44A-20.11) is amended to read as follows:

10. Any person who is determined by the Election Law Enforcement Commission to have willfully and intentionally accepted a contribution in violation of the provisions of sections **[**1**]** 2 through 4 of **[**this act**]** P.L.2004, c.19 (C.19:44A-20.3 through C.19:44A-20.5) and sections 1, 6, and 7 of P.L. , c. (C.) (pending before the Legislature as this bill) shall be liable to a penalty for each such violation equal to the penalties set forth in subsection e. of section 22 of P.L.1973, c.83 (C.19:44A-22).
(cf: P.L.2004, c.19, s.10)

13. Section 11 of P.L.2004, c.19 (C.19:44A-20.12) is amended to read as follows:

11. Nothing contained in this act shall be construed as prohibiting the awarding of a contract when the public exigency requires the immediate delivery of goods or performance of emergency services as determined by the State Treasurer.

The provisions of this section shall apply to P.L.2004, c.19 (C.19:44A-20.3 et seq.) and to sections 1, 6, and 7 of P.L. , c. (C.)(pending before the Legislature as this bill).

(cf: P.L.2004, c.19, s.11)

14. Section 9 of P.L.2005, c.51 (C.19:44A-20.21) is amended to read as follows:

9. It shall be a breach of the terms of the government contract for a business entity to: (i) make or solicit a contribution in violation of **[**this act**]** P.L.2004, c.19 (C.19:44A-20.3 et seq.) or sections 1, 6, and 7 of P.L. , c. (C.) (pending before the Legislature as this bill); (ii) knowingly conceal or misrepresent a contribution given or received; (iii) make or solicit contributions through intermediaries for the purpose of concealing or misrepresenting the source of the contribution; (iv) make or solicit any contribution on the condition or with the agreement that it will be contributed to a **[**campaign**]** committee **[**of any candidate or holder of the public office of Governor or Lieutenant Governor, or to any State or county party committee**]**; (v) engage or employ a lobbyist or consultant with the intent or understanding that such lobbyist or consultant would make or solicit any contribution, which if made or solicited by the business entity itself, would subject that entity to the restrictions of **[**this act**]** the acts; (vi) fund contributions made by third parties, including consultants, attorneys, family members, and employees; (vii) engage in any exchange or contributions to circumvent the intent of **[**this act**]** the acts; or (viii) directly or indirectly, through or by any other person or means, do any act which would subject that entity to the restrictions of **[**this act**]** the acts.

The provisions of this section shall apply to P.L.2004, c.19 (C.19:44A-20.3 et seq.) and to sections 1, 6, and 7 of P.L. , c. (C.) (pending before the Legislature as this bill).

(cf: P.L.2009, c.66, s.36)

15. Section 12 of P.L.2005, c.51 (C.19:44A-20.24) is amended to read as follows:

12. Every contract and bid application and specifications promulgated in connection therewith covered by **[**this act**]** P.L.2004, c.19 (C.19:44A-20.3 et seq.) and sections 1, 6, and 7 of P.L. , c. (C.) (pending before the Legislature as this bill) shall contain a provision describing the requirements of **[**this act**]** the acts and a statement that compliance with **[**this act**]** the acts shall be a material term and condition of said contract or

bid application and binding upon the parties thereto upon the entry of all applicable contracts.
(cf: P.L.2005, c.51, s.12)

16. (New section) The provisions of sections 2 through 4 of P.L.2004, c.19 (C.19:44A-20.3 through C.19:44A-20.5) and sections 1, 6, and 7 of P.L. , c. (C.) (pending before the Legislature as this bill) shall not apply in circumstances where it is determined by the federal government or a court of competent jurisdiction that its application would violate federal law or regulation.

17. Section 2 of P.L.2005, c.271 (C.19:44A-20.26) is amended to read as follows:

2. **[**a.**]** Not later than 10 days prior to entering into any contract having an anticipated value in excess of $17,500, **[**except for a contract that is required by law to be publicly advertised for bids,**]** a State agency in the Executive Branch or in the Legislative Branch, or a county, municipality, independent authority, board of education, or fire district shall require **[**any**]** the business entity **[**bidding thereon or negotiating therefor,**]** to submit **[**along with its bid or price quote,**]** a list of **[**political**]** contributions as set forth in this **[**subsection**]** section that **[**are reportable by the recipient pursuant to the provisions of P.L.1973, c.83 (C.19:44A-1 et al.) and that**]** were made by the business entity during the preceding 12-month period, along with the date and amount of each contribution and the name of the recipient of each contribution. A business entity contracting with a State agency shall disclose contributions to any State, county, or municipal committee of a political party, legislative leadership committee, candidate committee of a candidate for, or holder of, a State elective office, or any political committee, continuing political committee, or independent expenditure committee. A business entity contracting with a county, municipality, independent authority**[**,**]** other than an independent authority that is a State agency, board of education, or fire district shall disclose contributions to: any State, county, or municipal committee of a political party; any legislative leadership committee; or any candidate committee of a candidate for, or holder of, an elective office of that public entity, of that county in which that public entity is located, of another public entity within that county, or of a legislative district in which that public entity is located or, when the public entity is a county, of any legislative district which includes all or part of the county, or any political committee, continuing political committee, or independent expenditure committee.

The provisions of this section shall not apply to a contract when a public emergency requires the immediate delivery of goods or services.

[b. When a business entity is a natural person, a contribution by that person's spouse or child, residing therewith, shall be deemed to be a contribution by the business entity. When a business entity is other than a natural person, a contribution by any person or other business entity having an interest therein shall be deemed to be a contribution by the business entity. When a business entity is other than a natural person, a contribution by: all principals, partners, officers, or directors of the business entity or their spouses; any subsidiaries directly or indirectly controlled by the business entity; or any political organization organized under section 527 of the Internal Revenue Code that is directly or indirectly controlled by the business entity, other than a candidate committee, election fund, or political party committee, shall be deemed to be a contribution by the business entity.

c. As used in this section:

"business entity" means a for-profit entity that is a natural or legal person, business corporation, professional services corporation, limited liability company, partnership, limited partnership, business trust, association or any other legal commercial entity organized under the laws of this State or of any other state or foreign jurisdiction;

"interest" means the ownership or control of more than 10% of the profits or assets of a business entity or 10% of the stock in the case of a business entity that is a corporation for profit, as appropriate; and

"State agency" means any of the principal departments in the Executive Branch of the State Government, and any division, board, bureau, office, commission or other instrumentality within or created by such department, the Legislature of the State and any office, board, bureau or commission within or created by the Legislative Branch, and any independent State authority, commission, instrumentality or agency.

d. Any business entity that fails to comply with the provisions of this section shall be subject to a fine imposed by the New Jersey Election Law Enforcement Commission in an amount to be determined by the commission which may be based upon the amount that the business entity failed to report.**]**

(cf: P.L.2007, c.304, s.1)

18. Section 3 of P.L.2005, c.271 (C.19:44A-20.27) is amended to read as follows:

3. a. Any business entity making a contribution of money or any other thing of value, including an in-kind contribution, or pledge to make a contribution of any kind to a candidate for or the holder of any public office having ultimate responsibility for the awarding of public contracts, or to a political party committee, legislative leadership committee, political committee **[**or**]**, continuing political committee, or independent expenditure

committee, which has received in any calendar year [$50,000] $17,500 or more in the aggregate through agreements or contracts with a single public entity, shall file an annual disclosure statement with the New Jersey Election Law Enforcement Commission, established pursuant to section 5 of P.L.1973, c.83 (C.19:44A-5), setting forth all such contributions in any amount made by the business entity during the 12 months prior to the reporting deadline.

b. The commission shall prescribe forms and procedures for the reporting required in subsection a. of this section which shall include, but not be limited to:

(1) the name and mailing address of the business entity making the contribution, and the amount contributed during the 12 months prior to the reporting deadline;

(2) the name of the candidate for or the holder of any public office having ultimate responsibility for the awarding of public contracts, candidate committee, joint candidates committee, political party committee, legislative leadership committee, independent expenditure committee, political committee or continuing political committee receiving the contribution; and

(3) the amount of money the business entity received from the public entity through contract or agreement, the dates, and information identifying each contract or agreement and describing the goods, services or equipment provided or property sold.

c. The commission shall maintain a list of such reports for public inspection both at its office and through its Internet site.

[d. When a business entity is a natural person, a contribution by that person's spouse or child, residing therewith, shall be deemed to be a contribution by the business entity. When a business entity is other than a natural person, a contribution by any person or other business entity having an interest therein shall be deemed to be a contribution by the business entity. When a business entity is other than a natural person, a contribution by: all principals, partners, officers, or directors of the business entity, or their spouses; any subsidiaries directly or indirectly controlled by the business entity; or any political organization organized under section 527 of the Internal Revenue Code that is directly or indirectly controlled by the business entity, other than a candidate committee, election fund, or political party committee, shall be deemed to be a contribution by the business entity.

As used in this section:

"business entity" means a for-profit entity that is a natural or legal person, business corporation, professional services corporation, limited liability company, partnership, limited partnership, business trust, association or any other legal commercial entity organized under the laws of this State or of any other state or foreign jurisdiction; and

"interest" means the ownership or control of more than 10% of the profits or assets of a business entity or 10% of the stock in the

case of a business entity that is a corporation for profit, as appropriate.

e. Any business entity that fails to comply with the provisions of this section shall be subject to a fine imposed by the New Jersey Election Law Enforcement Commission in an amount to be determined by the commission which may be based upon the amount that the business entity failed to report.**]**

(cf: P.L.2007, c.304, s.2)

19. (New section) A county, municipality, local board of education, or board of commissioners of a fire district, or any agency or instrumentality thereof, shall not adopt any ordinance, resolution, or regulation that limits the awarding of public contracts to business entities or that limits the contributions that business entities awarded a contract can make during the term of the contract. The provisions of P.L.2004, c.19 (C.19:44A-20.3 et seq.) and sections 1, 6, and 7 of P.L. , c. (C.) (pending before the Legislature as this bill) shall supersede and preempt any such ordinance, resolution, or regulation. Any such ordinance, resolution, or regulation in effect on the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) shall be null and void.

20. The following sections of law are repealed:

Section 6 of P.L.2003, c.24 (C.48:3-93.3);

Sections 1 through 8, inclusive, sections 10 and 11, and section 13 of P.L.2005, c.51 (C.19:44A-20.13 through C.19:44A-20.20; C.19:44A-20.22 and C.19:44A-20.23; and C.19:44A-20.25); and

Section 1 of P.L.2005, c.271 (C.40A:11-51).

21. This act shall take effect on the 90th day following the date of enactment. Public entities may take such anticipatory administrative action in advance of the effective date as may be necessary for the implementation of the act.

STATEMENT

This bill modifies the current law regulating the awarding of public contracts to business entities that make campaign contributions, commonly referred to as the “pay to play” law.

Specifically, the bill provides that political party committees, namely the State committee of a political party or any county or municipal committee of a political party, would no longer be barred from receiving a contribution from a business entity seeking to enter into or holding a contract with the State, or a State agency, a county or municipality. Instead, a business entity seeking to enter into or holding a public contract would be barred from making a contribution to a political committee, or continuing political

committee, in addition to candidate committees and legislative leadership committees.

In addition the bill would:

1) create one uniform "pay to play" law applicable at all levels of government, including the Executive Branch, State authorities, the Legislative Branch, counties, and municipalities, and to add sections covering local elective boards of education and fire districts;

2) eliminate provisions of existing law that exclude contracts awarded pursuant to a "fair and open process" from "pay to play" proscriptions and provide instead that only contracts that are valued at $17,500 or less will be excluded;

3) increase the amount that may be contributed by business entities from the current $300 to $1,000;

4) modify the definition in the law of the term "business entity" to match the definition set forth in Governor Corzine's Executive Order No.117 of 2008;

5) modify the disclosure requirement for business entity that contracts with a single State agency, or a county, municipality, independent authority, board of education, or fire district for $17,500 or more and makes a contribution of money or other thing of value to an independent expenditure committee to disclose all such contributions; and

6) add a definition of "independent expenditure committee" for the purpose of the reports required to be made by business entities of their contributions.

As part of these changes to create a uniform "pay to play" law, the bill repeals sections of law that:

1) prohibit a government aggregator that is a county or municipality from awarding a contract to a licensed power supplier if that supplier has made a contribution to the committee of any candidate for public office;

2) apply "pay to play" in the context of State Executive Branch contracting; and

3) allow local governments to adopt their own "pay to play" ordinances and policies.