

**SENATE, No. 2082**

**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

INTRODUCED MARCH 16, 2020

**Sponsored by:**  
**Senator RICHARD J. CODEY**  
**District 27 (Essex and Morris)**

**SYNOPSIS**

Prohibits public member on State Ethics Commission from holding interest in or employment with business entity that has contract with State agency.

**CURRENT VERSION OF TEXT**

As introduced.



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1 AN ACT concerning public members of the State Ethics  
2 Commission and amending P.L.1971, c.182.

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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. Section 10 of P.L.1971, c.182 (C.52:13D-21) is amended to  
8 read as follows:

9 10. (a) The Executive Commission on Ethical Standards  
10 created pursuant to P.L.1967, c.229, is continued and established in  
11 the Department of Law and Public Safety and shall constitute the  
12 first commission under P.L.1971, c.182 (C.52:13D-12 et al.).

13 Upon the effective date of P.L.2005, c.382, the Executive  
14 Commission on Ethical Standards shall be renamed, and thereafter  
15 referred to, as the State Ethics Commission. For the purposes of  
16 complying with the provisions of Article V, Section IV, paragraph 1  
17 of the New Jersey Constitution, the State Ethics Commission is  
18 allocated in, but not of, the Department of Law and Public Safety,  
19 but notwithstanding that allocation, the commission shall be  
20 independent of any supervision and control by the department or by  
21 any board or officer thereof.

22 (b) The commission shall be composed of seven members as  
23 follows: three members appointed by the Governor from among  
24 State officers and employees serving in the Executive Branch; and  
25 four public members appointed by the Governor, not more than two  
26 of whom shall be of the same political party.

27 Each member appointed from the Executive Branch shall serve at  
28 the pleasure of the Governor during the term of office of the  
29 Governor appointing the member and until the member's successor  
30 is appointed and qualified.

31 The public members shall serve for terms of four years and until  
32 the appointment and qualification of their successors, but of the  
33 public members first appointed pursuant to P.L.2003, c.160, one  
34 shall serve for a term of two years and one shall serve for a term of  
35 four years, and of the two public members first appointed pursuant  
36 to P.L.2005, c.382, one shall serve for a term of one year and one  
37 shall serve for a term of three years. During a term of service on  
38 the commission, a public member shall not own, either in whole or  
39 in part, or hold, either directly or indirectly, any interest in, or hold  
40 employment with, any business entity, domestic or foreign, that is a  
41 party to a contract or agreement with any State agency.

42 The Governor shall designate one public member to serve as  
43 chairman and one member to serve as vice-chairman of the  
44 commission.

45 **【**The members of the State Ethics Commission who were  
46 appointed by the Governor from among the State officers and

**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 thus is new matter.

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1 employees serving in the Executive Branch serving on January 17,  
2 2006 are terminated as of that day. A member terminated pursuant  
3 to this paragraph shall be eligible for reappointment. **】**

4 Vacancies in the membership of the commission shall be filled in  
5 the same manner as the original appointments but, in the case of  
6 public members, for the unexpired term only. None of the public  
7 members shall be State officers or employees or special State  
8 officers or employees, except by reason of their service on the  
9 commission. A public member may be reappointed for subsequent  
10 terms on the commission.

11 (c) Each member of the commission shall serve without  
12 compensation but shall be entitled to be reimbursed for all actual  
13 and necessary expenses incurred in the performance of the  
14 member's duties.

15 (d) The Attorney General shall act as legal adviser and counsel  
16 to the commission. The Attorney General shall upon request advise  
17 the commission in the rendering of advisory opinions by the  
18 commission, in the approval and review of codes of ethics adopted  
19 by State agencies in the Executive Branch and in the  
20 recommendation of revisions in codes of ethics or legislation  
21 relating to the conduct of State officers and employees in the  
22 Executive Branch.

23 (e) (1) The commission may, within the limits of funds  
24 appropriated or otherwise made available to it for the purpose,  
25 employ such other professional, technical, clerical or other  
26 assistants, excepting legal counsel, and incur such expenses as may  
27 be necessary for the performance of its duties.

28 (2) The commission shall employ a training officer who shall be  
29 in the unclassified service of the civil service of this State. The  
30 training officer shall devote full-time to the creation, maintenance  
31 and coordination of a training program on ethical standards. The  
32 program shall be established for the purpose specified in section 2  
33 of P.L.2005, c.382 (C.52:13D-21.1). The program shall be provided  
34 by the training officer or assistants or deputies of such officer, or by  
35 such other persons as may be designated by the commission. The  
36 commission shall approve the form and content of the training  
37 program created by the training officer and shall determine when  
38 and at what intervals State officers and employees and special State  
39 officers and employees in a State agency in the Executive Branch  
40 shall be required to complete such a program. The training program  
41 may include content which in particular addresses the situations of  
42 certain identified groups of officers or employees such as those who  
43 are involved in contracting processes.

44 (3) The commission shall employ a compliance officer who  
45 shall be in the unclassified service of the civil service of this State.  
46 The compliance officer shall devote full-time to the creation,  
47 maintenance, monitoring and coordination of procedures to ensure  
48 that all State officers and employees and special State officers and

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1 employees in State agencies in the Executive Branch comply fully  
2 with all reporting and training requirements and that all materials,  
3 forms, codes, orders and notices are distributed to and  
4 acknowledged by appropriate individuals, as may be required. In  
5 addition, the compliance officer shall conduct, on such regular basis  
6 as determined by the commission, systematic audits of State  
7 agencies in the Executive Branch for compliance with the laws,  
8 regulations, codes, orders, procedures, advisory opinions and  
9 rulings concerning the ethical standards for State employees and  
10 officers and special State officers and employees.

11 (f) The commission, in order to perform its duties pursuant to  
12 the provisions of P.L.1971, c.182 (C.52:13D-12 et al.), shall have  
13 the power to conduct investigations, hold hearings, compel the  
14 attendance of witnesses and the production before it of such books  
15 and papers as it may deem necessary, proper and relevant to the  
16 matter under investigation. The members of the commission and  
17 the persons appointed by the commission for that purpose are  
18 hereby empowered to administer oaths and examine witnesses  
19 under oath.

20 (g) The commission is authorized to render advisory opinions as  
21 to whether a given set of facts and circumstances would, in its  
22 opinion, constitute a violation of the provisions of P.L.1971, c.182  
23 (C.52:13D-12 et al.) or of a code of ethics promulgated pursuant to  
24 the provisions of P.L.1971, c.182 (C.52:13D-12 et al.).

25 (h) The commission shall have jurisdiction to initiate, receive,  
26 hear and review complaints regarding violations, by any current or  
27 former State officer or employee or current or former special State  
28 officer or employee, in the Executive Branch, of the provisions of  
29 P.L.1971, c.182 (C.52:13D-12 et al.) or of a code of ethics  
30 promulgated pursuant to the provisions of P.L.1971, c.182  
31 (C.52:13D-12 et al.). Any complaint regarding a violation of a code  
32 of ethics may be referred by the commission for disposition in  
33 accordance with subsection (d) of section 12 of P.L.1971, c.182  
34 (C.52:13D-23).

35 An investigation regarding a violation committed during service  
36 by a former State officer or employee or special State officer or  
37 employee shall be initiated by the commission not later than two  
38 years following the termination of service.

39 The commission shall have the authority to dismiss a complaint  
40 that it determines to be frivolous.

41 (i) Any current or former State officer or employee or current  
42 or former special State officer or employee found guilty by the  
43 commission of violating any provision of P.L.1971, c.182  
44 (C.52:13D-12 et al.) or of a code of ethics promulgated pursuant to  
45 the provisions of P.L.1971, c.182 (C.52:13D-12 et al.) shall be fined  
46 not less than \$500 nor more than \$10,000, which penalty may be  
47 collected in a summary proceeding pursuant to the "Penalty  
48 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.),

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1 and may be suspended from office or employment by order of the  
2 commission for a period of not in excess of one year. If the  
3 commission finds that the conduct of the officer or employee  
4 constitutes a willful and continuous disregard of the provisions of  
5 P.L.1971, c.182 (C.52:13D-12 et al.) or of a code of ethics  
6 promulgated pursuant to the provisions of P.L.1971, c.182  
7 (C.52:13D-12 et al.), it may order that person removed from office  
8 or employment and may further bar the person from holding any  
9 public office or employment in this State in any capacity  
10 whatsoever for a period of not exceeding five years from the date  
11 on which the person was found guilty by the commission.

12 In addition, for violations occurring after the effective date of  
13 P.L.2005, c.382, the commission may order restitution, demotion,  
14 censure or reprimand, or for a failure to file an appropriate financial  
15 disclosure statement or form, shall impose a civil penalty of \$50 for  
16 each day of the violation, which penalty may be collected in a  
17 summary proceeding pursuant to the "Penalty Enforcement Law of  
18 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

19 (j) The remedies provided herein are in addition to all other  
20 criminal and civil remedies provided under the law.

21 (k) The commission shall promulgate, pursuant to the  
22 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
23 seq.), such rules and regulations as may be necessary to effectuate  
24 the purposes of P.L.1971, c.182 (C.52:13D-12 et al.).

25 (l) (1) The commission shall communicate periodically with  
26 the State Auditor, the State Inspector General, the State  
27 Commission of Investigation and the Office of Government  
28 Integrity, or its successor, in the Department of Law and Public  
29 Safety.

30 (2) The Executive Director of the commission shall meet with  
31 the head of each principal department of the Executive Branch of  
32 State Government, each board member if a board is considered the  
33 head of a principal department, and the Secretary of Agriculture, the  
34 Commissioner of Education, and the Secretary and Chief Executive  
35 Officer of the New Jersey Commerce and Economic Growth  
36 Commission, within 30 days after the head, member, secretary or  
37 commissioner takes office, and shall meet annually with these  
38 individuals as a group, to inform them of the laws, regulations,  
39 codes, orders, procedures, advisory opinions and rulings concerning  
40 applicable ethical standards.

41 (m) The commission shall create and maintain a toll-free  
42 telephone number to receive comments, complaints and questions  
43 concerning matters under the jurisdiction of the commission.  
44 Information or questions received by the commission by this means  
45 shall be confidential and not accessible to the public pursuant to  
46 P.L.1963, c.73 (C.47:1A-1 et seq.).

47 (n) Financial disclosure statements required to be submitted to  
48 the commission by law, regulation or executive order shall be made

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1 available to the public, promptly after receipt, on the Internet site of  
2 the commission, commencing with submissions for 2005.

3 (o) The commission shall prepare and ensure the distribution to  
4 each State officer and employee and special State officer and  
5 employee in a State agency in the Executive Branch of a plain  
6 language ethics guide which provides a clear and concise summary  
7 of the laws, regulations, codes, orders, procedures, advisory  
8 opinions and rulings concerning ethical standards applicable to such  
9 officers and employees. The guide shall be prepared to promote  
10 ethical day-to-day decision making, to give general advice  
11 regarding conduct and situations, to provide easy reference to  
12 sources, and to explain the role, activities and jurisdiction of the  
13 State Ethics Commission. Each State officer and employee and  
14 special State officer and employee shall certify that he or she has  
15 received the guide, reviewed it and understands its provisions.

16 (p) The commission shall have jurisdiction to enforce the  
17 provisions of an Executive Order that specifically provides for  
18 enforcement by the commission.

19 (cf: P.L.2005, c.382, s.1)

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21 2. This act shall take effect on the first day of the third month  
22 next following the date of enactment.

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STATEMENT

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27 This bill prohibits a public member on the State Ethics  
28 Commission from, during the member's term of service, owning,  
29 either in whole or in part, or holding, either directly or indirectly,  
30 any interest in, or holding employment with, any business entity,  
31 domestic or foreign, that is a party to a contract or agreement with  
32 any State agency.