

SENATE, No. 2726

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED FEBRUARY 15, 2024

Sponsored by:

Senator SHIRLEY K. TURNER

District 15 (Hunterdon and Mercer)

SYNOPSIS

Requires State agencies to submit notice of request for proposals or other documents pertinent to privatization contracts to certain State employees.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the privatization of State agencies and
2 programs 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. a. At least 180 days before releasing a request for proposal,
8 other procurement document, or proposed agreement with the
9 purpose or intent of entering into a privatization contract with a
10 nongovernmental entity for the assumption or management of any
11 State agency asset, or for the performance of any State agency
12 service or operation, with a cumulative value equal to or greater
13 than \$100,000, or with an annual budget equal to or greater than
14 \$100,000, the agency shall submit written notice to the agency
15 employees who are likely to be terminated as a result of the
16 privatization.

17 b. The notice required by this section shall identify the asset to
18 be assumed or managed or the service or operation to be performed
19 by the nongovernmental entity and shall include a copy of the
20 request for proposal, other procurement document, or proposed
21 agreement relating to the proposed privatization contract with the
22 nongovernmental entity.

23 c. The notice required by this section shall also advise the
24 employees of their right to submit a two-year business plan setting
25 forth a statement of intent by the employees to take over
26 management of the asset or performance of the operation or service
27 in lieu of privatizing the asset, operation, or service. The notice
28 shall also advise the employees of their right to seek assistance
29 from the New Jersey Economic Development Authority in the
30 formulation of the business plan and to seek financing from the
31 authority to implement the plan.

32 d. If the employees determine to submit a business plan
33 pursuant to this section, the plan shall be submitted to the agency
34 prior to the expiration of the 180-day period established by
35 subsection a. of this section. The plan shall include, but not be
36 limited to, an analysis of the financial, managerial, and budgeting
37 requirements necessary for meeting the specific criteria of the
38 proposal. The analysis shall be in sufficient detail to permit the
39 agency to evaluate the merits of the business plan.

40 e. Within 60 days of the receipt of the business plan submitted
41 pursuant to this section, the agency shall either approve or
42 disapprove the plan or require modifications of the plan. If the plan
43 is approved, the agency and the employees shall have one year from
44 the date of approval to implement the plan. If the agency
45 disapproves the plan or recommends changes to the plan, the
46 employees shall have 30 days from receipt of the agency's
47 disapproval or recommendations to amend the business plan and
48 resubmit it to the agency for approval. If the employees are unable

1 to obtain the agency's approval within 30 days after the submission
2 of the amended business plan to the agency, the employees may not
3 proceed with the plan.

4 For the purposes of P.L. , c. (C.) (pending before the
5 Legislature as this bill), "State agency" or "agency" means any of
6 the principal departments in the Executive Branch of the State
7 government, and any division, board, bureau, office, commission, or
8 instrumentality within or created by such department; the
9 Legislature of the State and any office, board, bureau, or
10 commission within or created by the Legislative Branch; and any
11 independent State authority, commission, instrumentality, or
12 agency. A county or municipality shall not be deemed an agency or
13 instrumentality of the State.

14

15 2. This act shall take effect immediately.

16

17

18

STATEMENT

19

20 This bill requires State agencies to submit notice of a request for
21 proposal, other procurement document or proposed agreement for
22 the privatization of a State agency asset, service, or operation, with
23 a cumulative value of \$100,000 or greater, to the employees who
24 are likely to be terminated as a result of the privatization.

25 The notice required by this bill must be sent at least 180 days
26 before the release of the request for proposal or other document and
27 must identify the asset to be assumed or managed or the service or
28 operation to be performed by the nongovernmental entity. The
29 notice is to advise the employees of their right to submit a two-year
30 business plan to the agency setting forth the employees' intent to
31 take over management of the asset or performance of an operation.

32 The bill provides that if the employees determine to submit a
33 business plan, the plan will be submitted to the agency prior to the
34 expiration of the 180-day review period. The bill further provides
35 that the agency will either approve or disapprove the plan or require
36 modifications of the plan within 60 days of receipt of the plan from
37 the employees.

38 If the agency disapproves the plan or requires modifications of
39 the plan, the employees would thereafter have 30 days from receipt
40 of the disapproval or recommendations to amend the plan and
41 resubmit it to the agency for approval.