

SENATE, No. 2550

STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED DECEMBER 9, 2010

Sponsored by:

Senator LORETTA WEINBERG

District 37 (Bergen)

SYNOPSIS

Modifies current law regarding regulation and restrictions on business entities who are public contractors and make campaign contributions to certain office holders, candidates and political organizations.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning campaign contributions made by certain
2 political committees and other entities, amending and
3 supplementing various parts of the statutory law, and repealing
4 section 1 of P.L.2005, c.271.

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

8
9 1. (New section) As used in this act:

10 “Business entity” means the same as that term is used and
11 provided in section 5 of P.L.2005, c.51 (C.19:44A-20.17).

12 “Contribution” means a contribution reportable by the recipient
13 under “The New Jersey Campaign Contributions and Expenditures
14 Reporting Act,” P.L.1973, c.83 (C.19:44A-1 et seq.) made on or
15 after the effective date of this act.

16 “Redeveloper” means any business entity that enters into or
17 proposes to enter into a redevelopment agreement, and includes:

18 a. any subsidiary business entity directly or indirectly controlled
19 by the redeveloper; and

20 b. any business entity that contracts with the redeveloper to
21 perform professional, consulting, or lobbying services in connection
22 with the redevelopment project.

23 “Redevelopment agreement” means an agreement or contract
24 with a redevelopment entity for the redevelopment or rehabilitation
25 of an area in need of redevelopment, or an area in need of
26 rehabilitation, or any part thereof, or other work forming a part of a
27 redevelopment or rehabilitation project.

28 “Redevelopment entity” means:

29 a. any State agency, including any principal department in the
30 Executive Branch and any division, board, bureau, office,
31 commission, or other instrumentality within or created by such
32 department, and any independent State authority, board,
33 commission, instrumentality, or agency that is authorized by law to
34 implement a redevelopment project and carry out a redevelopment
35 plan. The State Treasurer shall prepare and publish annually a list of
36 the State entities included under this definition.

37 b. any county or municipal entity, including any division, board,
38 bureau, office, commission, or other instrumentality within or
39 created by such entity and any independent authority, board,
40 commission, instrumentality, or agency that is created by the entity
41 to implement a redevelopment project or carry out a redevelopment
42 plan. The Local Government Finance Board in the Department of
43 Community Affairs shall prepare and publish annually a list of the
44 entities included under this definition.

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.

1 2. (New section) All redevelopment entities shall use a
2 competitive process, to include public issuance of a request for
3 proposal, a request for qualifications, or similar solicitation, for
4 selecting a redeveloper.

5
6 3. (New section) A redevelopment entity shall not enter into or
7 propose to enter into a redevelopment agreement with any
8 redeveloper if, beginning after the public issuance of a request for
9 proposal, a request for qualifications, or similar solicitation in
10 accordance with section 2 of P.L. , c. (C.) (pending before
11 the Legislature as this bill), that redeveloper has made a
12 contribution to:

13 a. any candidate committee of any candidate for or holder of the
14 public office of Governor or Lieutenant Governor;

15 b. any political party committee or a legislative leadership
16 committee; or

17 c. any candidate committee of any candidate for or holder of a
18 State legislative, county, or municipal elective public office in a
19 State legislative district, county, or municipality in which any
20 property subject to the redevelopment agreement is situated.

21
22 4. (New section) A redeveloper that enters into a
23 redevelopment agreement with a redevelopment entity shall not
24 make a contribution during the term of the redevelopment
25 agreement to any committee identified in section 3 of P.L. ,
26 c. (C.) (pending before the Legislature as this bill).

27
28 5. (New section) Prior to entering into a redevelopment
29 agreement, a redevelopment entity shall require the redeveloper to
30 report all contributions the redeveloper made during the preceding
31 four years to any political organization organized under section 527
32 of the Internal Revenue Code (26 U.S.C.A. §527) that also meets
33 the definition of a “continuing political committee” within the
34 meaning of section 3 of P.L.1973, c.83 (C.19:44A-3), and, in the
35 event the redeveloper enters into a contract with a business entity to
36 perform professional, consulting, or lobbying services in connection
37 with the redevelopment project after entering into the
38 redevelopment agreement, the redeveloper shall supplement its
39 report to include such contributions by that business entity. Such
40 reports shall be subject to review by the State Treasurer or the
41 Commissioner of the Department of Community Affairs, as may be
42 appropriate. If the State Treasurer determines that any such
43 contribution or any other act by the redeveloper would constitute a
44 violation of P.L. , c. (C.)(pending before the Legislature as
45 this bill), the State Treasurer or the commissioner, as may be
46 appropriate, shall disqualify the redeveloper from being awarded
47 the redevelopment agreement.

1 6. (New section) Prior to entering into a redevelopment
2 agreement, a redevelopment entity shall require the redeveloper to
3 provide a written certification that it has not made a contribution
4 that would bar the award of the redevelopment agreement pursuant
5 to P.L. , c. (C.)(pending before the Legislature as this bill).
6 The redeveloper shall have a continuing duty to report any
7 contribution it makes during the term of the redevelopment
8 agreement. Such reports shall be subject to review by the State
9 Treasurer or the commissioner, as may be appropriate.

10 7. (New section) A redeveloper shall not:

11 a. make a contribution in violation of P.L. , c. (C.)
12 (pending before the Legislature as this bill), unless such violation is
13 remedied in accordance with section 8 of P.L. , c. (C.)
14 (pending before the Legislature as this bill);

15 b. conceal or misrepresent a contribution given or received;

16 c. make a contribution through an intermediary for the purpose
17 of concealing or misrepresenting the source of the contribution;

18 d. make a contribution on the condition or with the agreement
19 that the recipient will in turn make a contribution that if made by
20 the redeveloper itself would subject the redeveloper to the
21 restrictions of sections 2 through 6 of P.L. , c. (C.) (pending
22 before the Legislature as this act);

23 e. engage or employ a lobbyist, governmental affairs agent, or
24 consultant with the intent or understanding that the lobbyist,
25 governmental affairs agent, or consultant would make a
26 contribution that if made by the redeveloper itself would subject the
27 redeveloper to the restrictions of sections 2 through 6 of P.L. ,
28 c. (C.) (pending before the Legislature as this bill);

29 f. fund or direct contributions made by third parties, including
30 consultants, attorneys, family members, and employees;

31 g. engage in any exchange or contributions to circumvent the
32 intent of sections 2 through 6 of P.L. , c. (C.)(pending
33 before the Legislature as this bill); or

34 h. directly or indirectly, through or by any other person or
35 means, do any act which would subject the redeveloper to the
36 restrictions of sections 3 through 6 of P.L. , c. (C.)(pending
37 before the Legislature as this bill).

38 Unless remedied in accordance with section 8 of P.L. ,
39 c. (C.) (pending before the Legislature as this bill), a violation
40 of the provisions of sections 2 through 6 this act shall:

41 (1) be considered a material breach of the redevelopment
42 agreement; and

43 (2) result in the redeveloper being banned for a period of five
44 years from entering into a subsequent redevelopment agreement
45 with the State, any agency or department thereof or an independent
46 State authority or board thereof, if the developer is found to have
47 knowingly violated the law.

1 8. (New section) Except for contributions made within 60 days
2 of a primary or a general election, if a redeveloper makes a
3 contribution that would otherwise bar it from entering into a
4 redevelopment agreement with a redevelopment entity or makes a
5 contribution during the term of a redevelopment agreement in
6 violation of sections 3 through 5 of P.L. , c. (C.)(pending
7 before the Legislature as this bill), the redeveloper may request a
8 full reimbursement from the recipient and, if such reimbursement is
9 received within 30 days after the date on which the contribution was
10 made, the redeveloper would again be eligible to enter into the
11 redevelopment agreement or would no longer be in violation, as
12 appropriate. It shall be presumed that contributions made within 60
13 days of a primary or general election were not made inadvertently
14 and shall not be eligible for full reimbursement and the entity
15 making the contribution would no longer be eligible to receive a
16 contract.

17 9. (New section) Every request for qualifications, request for
18 proposals, or any similar solicitation issued by a redevelopment
19 entity in connection with a redevelopment project shall contain:

20 a. a provision describing the requirements of sections 1 through 8
21 of P.L. , c. (C.)(pending before the Legislature as this bill)

22 b. a statement that compliance with that act shall be a material
23 term and condition of any redevelopment agreement with the
24 redevelopment entity and binding upon the parties thereto upon the
25 execution of the redevelopment agreement; and

26 c. a description of the penalties for which the redeveloper
27 would be liable in the event of a breach of the redevelopment
28 agreement or the failure of the redeveloper to comply with the
29 provisions of this act.

30 The description shall state that unless remedied in accordance
31 with section 8 of P.L. , c. (C.)(pending before the Legislature
32 as this bill), a violation of the provisions of sections 2 through 6 this
33 act shall:

34 (1) be considered a material breach of the redevelopment
35 agreement; and

36 (2) result in the redeveloper being banned for a period of five
37 years from entering into a subsequent redevelopment agreement
38 with the State, any agency or department thereof or an independent
39 State authority or board thereof, if the developer is found to have
40 knowingly violated the law.

41

42 10. Section 13 of P.L.2004, c.19 (C.19:44A-11.3a) is amended
43 to read as follows:

44 13. **【In addition to any other applicable limit prescribed by law,**
45 **between January 1 and June 30 of each year,】**

46 a. (1) A county committee of a political party shall not make a
47 contribution to any other county committee of a political party, nor

1 shall any such county committee accept a contribution from any
2 other county committee **【during that time period】**. In addition to
3 any other penalty provided by law, a county committee that
4 willfully and intentionally violates this **【section】** subsection, or
5 willfully and intentionally makes a contribution to any candidate or
6 committee with the intent, condition, understanding or belief that
7 the candidate or committee has made or shall make a contribution to
8 another county committee, shall be liable to a penalty equal to four
9 times the amount of the contribution.

10 (2) A county committee of a political party shall not make a
11 contribution to the State committee of a political party or to a
12 legislative leadership committee that in the aggregate exceeds
13 \$25,000 per year. No State committee of a political party and no
14 legislative leadership committee shall accept a contribution from
15 the county committee of a political party that exceeds \$25,000 per
16 year.

17 b. A county committee of a political party shall not make a
18 contribution to a municipal committee of a political party in a
19 municipality located in a county other than the county of that
20 county committee, nor shall any such municipal committee accept a
21 contribution from any such county committee. In addition to any
22 other penalty provided by law, a municipal committee that willfully
23 and intentionally violates this subsection, or willfully and
24 intentionally makes a contribution to any candidate or committee
25 with the intent, condition, understanding or belief that the candidate
26 or committee has made or shall make a contribution to a municipal
27 committee in a municipality located in a county other than the
28 county of that county committee, shall be liable to a penalty equal
29 to four times the amount of the contribution.

30 c. A municipal committee of a political party shall not make a
31 contribution to any other municipal committee of a political party,
32 nor shall any such municipal committee accept a contribution from
33 any other municipal committee. In addition to any other penalty
34 provided by law, a municipal committee that willfully and
35 intentionally violates this subsection, or willfully and intentionally
36 makes a contribution to any candidate or committee with the intent,
37 condition, understanding or belief that the candidate or committee
38 has made or shall make a contribution to any other municipal
39 committee, shall be liable to a penalty equal to four times the
40 amount of the contribution.

41 (cf: P.L.2004, c.19, s.13)

42
43 11. Section 19 of P.L.1993, c.65 (C.19:44A-11.4) is amended to
44 read as follows:

45 19. a. (1) Except as otherwise provided in paragraph (2) of this
46 subsection, no individual, no corporation of any kind organized and
47 incorporated under the laws of this State or any other state or any
48 country other than the United States, no labor organization of any

1 kind which exists or is constituted for the purpose, in whole or in
2 part, of collective bargaining, or of dealing with employers
3 concerning the grievances, terms or conditions of employment, or
4 of other mutual aid or protection in connection with employment,
5 no political committee, continuing political committee, candidate
6 committee or joint candidates committee or any other group, shall
7 pay or make any contribution of money or other thing of value to
8 the campaign treasurer, deputy treasurer or other representative of
9 the State committee of a political party or the campaign treasurer,
10 deputy campaign treasurer or other representative of any legislative
11 leadership committee, which in the aggregate exceeds \$25,000 per
12 year, or in the case of a joint candidates committee when that is the
13 only committee established by the candidates, \$25,000 per year per
14 candidate in the joint candidates committee, or in the case of a
15 candidate committee and a joint candidates committee when both
16 are established by a candidate, \$25,000 per year from that
17 candidate. No campaign treasurer, deputy campaign treasurer or
18 other representative of the State committee of a political party or
19 campaign treasurer, deputy campaign treasurer or other
20 representative of any legislative leadership committee shall
21 knowingly accept from an individual, a corporation of any kind
22 organized and incorporated under the laws of this State or any other
23 state or any country other than the United States, a labor
24 organization of any kind which exists or is constituted for the
25 purpose, in whole or in part, of collective bargaining, or of dealing
26 with employers concerning the grievances, terms or conditions of
27 employment, or of other mutual aid or protection in connection with
28 employment, a political committee, a continuing political
29 committee, a candidate committee or a joint candidates committee
30 or any other group, any contribution of money or other thing of
31 value which in the aggregate exceeds \$25,000 per year, or in the
32 case of a joint candidates committee when that is the only
33 committee established by the candidates, \$25,000 per year per
34 candidate in the joint candidates committee, or in the case of a
35 candidate committee and a joint candidates committee when both
36 are established by a candidate, \$25,000 per year from that
37 candidate.

38 (2) No national committee of a political party shall pay or make
39 any contribution of money or other thing of value to the campaign
40 treasurer, deputy treasurer or other representative of the State
41 committee of a political party which in the aggregate exceeds
42 \$72,000 per year, and no campaign treasurer, deputy campaign
43 treasurer or other representative of the State committee of a
44 political party shall knowingly accept from the national committee
45 of a political party any contribution of money or other thing of
46 value which in the aggregate exceeds \$72,000 per year.

47 b. No individual, no corporation of any kind organized and
48 incorporated under the laws of this State or any other state or any

1 country other than the United States, no labor organization of any
2 kind which exists or is constituted for the purpose, in whole or in
3 part, of collective bargaining, or of dealing with employers
4 concerning the grievances, terms or conditions of employment, or
5 of other mutual aid or protection in connection with employment,
6 no political committee, continuing political committee, candidate
7 committee or joint candidates committee or any other group, shall
8 pay or make any contribution of money or other thing of value to
9 any county committee of a political party, which in the aggregate
10 exceeds \$37,000 per year, or in the case of a joint candidates
11 committee when that is the only committee established by the
12 candidates, \$37,000 per year per candidate in the joint candidates
13 committee, or in the case of a candidate committee and a joint
14 candidates committee when both are established by a candidate,
15 \$37,000 per year from that candidate. No campaign treasurer,
16 deputy campaign treasurer or other representative of a county
17 committee of a political party shall knowingly accept from an
18 individual, a corporation of any kind organized and incorporated
19 under the laws of this State or any other state or any country other
20 than the United States, a labor organization of any kind which exists
21 or is constituted for the purpose, in whole or in part, of collective
22 bargaining, or of dealing with employers concerning the grievances,
23 terms or conditions of employment, or of other mutual aid or
24 protection in connection with employment, a political committee, a
25 continuing political committee, a candidate committee or a joint
26 candidates committee or any other group, any contribution of
27 money or other thing of value which in the aggregate exceeds
28 \$37,000 per year, or in the case of a joint candidates committee
29 when that is the only committee established by the candidates,
30 \$37,000 per year per candidate in the joint candidates committee, or
31 in the case of a candidate committee and a joint candidates
32 committee when both are established by a candidate, \$37,000 per
33 year from that candidate.

34 c. No individual, no corporation of any kind organized and
35 incorporated under the laws of this State or any other state or any
36 country other than the United States, no labor organization of any
37 kind which exists or is constituted for the purpose, in whole or in
38 part, of collective bargaining, or of dealing with employers
39 concerning the grievances, terms or conditions of employment, or
40 of other mutual aid or protection in connection with employment,
41 no political committee, continuing political committee, candidate
42 committee or joint candidates committee or any other group shall
43 pay or make any contribution of money or other thing of value to
44 any municipal committee of a political party, which in the aggregate
45 exceeds \$7,200 per year, or in the case of a joint candidates
46 committee when that is the only committee established by the
47 candidates, \$7,200 per year per candidate in the joint candidates
48 committee, or in the case of a candidate committee and a joint

1 candidates committee when both are established by a candidate,
2 \$7,200 per year from that candidate. No campaign treasurer, deputy
3 campaign treasurer or other representative of a municipal committee
4 of a political party shall knowingly accept from an individual, a
5 corporation of any kind organized and incorporated under the laws
6 of this State or any other state or any country other than the United
7 States, a labor organization of any kind which exists or is
8 constituted for the purpose, in whole or in part, of collective
9 bargaining, or of dealing with employers concerning the grievances,
10 terms or conditions of employment, or of other mutual aid or
11 protection in connection with employment, a political committee, a
12 continuing political committee, a candidate committee or a joint
13 candidates committee or any other group, any contribution of
14 money or other thing of value which in the aggregate exceeds
15 \$7,200 per year, or in the case of a joint candidates committee when
16 that is the only committee established by the candidates, \$7,200 per
17 year per candidate in the joint candidates committee, or in the case
18 of a candidate committee and a joint candidates committee when
19 both are established by a candidate, \$7,200 per year from that
20 candidate.

21 **【No county committee of a political party in any county shall**
22 **pay or make any contribution of money or other thing of value to a**
23 **municipal committee of a political party in a municipality not**
24 **located in that county which in the aggregate exceeds the amount of**
25 **aggregate contributions which, under this subsection, a continuing**
26 **political committee is permitted to pay or make to a municipal**
27 **committee of a political party. No campaign treasurer, deputy**
28 **campaign treasurer or other representative of a municipal committee**
29 **of a political party in any municipality shall knowingly accept from**
30 **any county committee of a political party in any county other than**
31 **the county in which the municipality is located any contribution of**
32 **money or other thing of value which in the aggregate exceeds the**
33 **amount of contributions permitted to be so paid or made under that**
34 **subsection.】**

35 d. For the purpose of determining the amount of a contribution
36 to be attributed as given by each candidate in a joint candidates
37 committee, the amount of the contribution by such a committee
38 shall be divided equally among all the candidates in the committee.
39 (cf: P.L.2004, c.174, s.4)

40

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

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

45 a State agency in the Legislative Branch shall not enter into a
46 contract having an anticipated value in excess of \$17,500, as
47 determined in advance and certified in writing by the State agency,
48 with a business entity, that requires approval by a presiding officer

1 of either or both houses of the Legislature, [except a contract that is
2 awarded pursuant to a fair and open process,] if, during the
3 preceding one-year period, that business entity has made a
4 contribution, reportable by the recipient under P.L.1973, c.83
5 (C.19:44A-1 et seq.), to the State committee of the political party of
6 which that presiding officer, serving when the contract is awarded,
7 is a member or to a legislative leadership committee or any
8 candidate committee established by that presiding officer; and

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

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

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

23
24 13. Section 3 of P.L.2004, c.19 (C.19:44A-20.4) is amended to
25 read as follows:

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

28 a county, or any agency or instrumentality thereof, including any
29 independent authority created thereby or regional school district,
30 shall not enter into a contract having an anticipated value in excess
31 of \$17,500, as determined in advance and certified in writing by the
32 county, agency or instrumentality, with a business entity, [except a
33 contract that is awarded pursuant to a fair and open process,] if,
34 during the preceding one-year period, that business entity has made
35 a contribution that in the aggregate exceeds \$300 per year to an
36 individual within the area affected by the contract, or that in the
37 aggregate exceeds \$1,000 per year to an entity within the area
38 affected by the contract, and is reportable by the recipient under
39 P.L.1973, c.83 (C.19:44A-1 et seq.), to any county committee of a
40 political party in that county if a member of that political party is
41 serving in an elective public office of that county when the contract
42 is awarded or to any candidate committee of any person serving in
43 an elective public office of that county when the contract is
44 awarded; and

45 a business entity that has entered into a contract having an
46 anticipated value in excess of \$17,500 with a county, or any agency
47 or instrumentality thereof, [except a contract that is awarded

1 pursuant to a fair and open process,】 including any independent
2 authority created thereby or regional school district, shall not make
3 such a contribution, reportable by the recipient under P.L.1973, c.83
4 (C.19:44A-1 et seq.), to any county committee of a political party in
5 that county if a member of that political party is serving in an
6 elective public office of that county when the contract is awarded or
7 to any candidate committee of any person serving in an elective
8 public office of that county when the contract is awarded, during
9 the term of that contract.

10 【No such committee shall accept such a contribution from a
11 business entity during the term of its contract with the county.】

12 As used in this section, “individual in the area affected by the
13 contract” means all candidates for county public office and holders
14 of such offices in the county with the contract; and “entity within
15 the area affected by the contract” means each county committee of a
16 political party in the county, and each political committee,
17 continuing political committee and legislative leadership committee
18 that that makes a contribution to a candidate or a holder of a public
19 officer or to a county committee of the county with a contract.

20 (cf: P.L.2004, c.19, s.3)

21
22 14. Section 4 of P.L.2004, c.19 (C.19:44A-20.5) is amended to
23 read as follows:

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

26 a municipality, or any agency or instrumentality thereof,
27 including any independent authority created thereby or any school
28 or fire district within the municipality, shall not enter into a contract
29 having an anticipated value in excess of \$17,500, as determined in
30 advance and certified in writing by the municipality, agency or
31 instrumentality, with a business entity, 【except a contract that is
32 awarded pursuant to a fair and open process,】 if, during the
33 preceding one-year period, that business entity has made a
34 contribution that in the aggregate exceeds \$300 per year to an
35 individual within the area affected by the contract, or that in the
36 aggregate exceeds \$1,000 per year to an entity within the area
37 affected by the contract, and is reportable by the recipient under
38 P.L.1973, c.83 (C.19:44A-1 et seq.), to any municipal committee of
39 a political party in that municipality if a member of that political
40 party is serving in an elective public office of that municipality
41 when the contract is awarded or to any candidate committee of any
42 person serving in an elective public office of that municipality when
43 the contract is awarded; and

44 a business entity that has entered into a contract having an
45 anticipated value in excess of \$17,500 with a municipality, or any
46 agency or instrumentality thereof, 【except a contract that is
47 awarded pursuant to a fair and open process,】 including any

1 independent authority created thereby or any school or fire district
2 within the municipality, shall not make such a contribution,
3 reportable by the recipient under P.L.1973, c.83 (C.19:44A-1 et
4 seq.), to any municipal committee of a political party in that
5 municipality if a member of that political party is serving in an
6 elective public office of that municipality when the contract is
7 awarded or to any candidate committee of any person serving in an
8 elective public office of that municipality when the contract is
9 awarded, during the term of that contract.

10 **【No such committee shall accept such a contribution from a**
11 **business entity during the term of its contract with the**
12 **municipality.】**

13 As used in this section, “individual within the area affected by
14 the contract” means all candidates for public office in the
15 municipality and holders of such offices in the municipality with a
16 contract; and “entity within the area affected by the contract” means
17 each municipal committee of a political party in the municipality
18 with the contract, each county committee of a political party in the
19 county with the contract, and each political committee, continuing
20 political committee and legislative leadership committee that makes
21 a contribution to a candidates or holder of a public office or to a
22 municipal or county committee located in the municipality or
23 county with the contract.

24 (cf: P.L.2004, c.19, s.4)

25
26 15. (New section) Every contract and bid application and
27 specifications promulgated in connection therewith covered by this
28 act shall contain:

29 a. a provision describing the requirements of this act;
30 b. a statement that compliance with this act shall be a material
31 term and condition of said contract or bid application and binding
32 upon the parties thereto upon the entry of all applicable contracts;
33 and

34 c. a description of the penalties for which the signer of a
35 contract would be liable in the event of a breach of a government
36 contract or for failure to comply with the provisions of this act.

37 The description shall state that unless remedied in accordance
38 with section 8 of P.L.2004, c.19 (C.19:44A-20.9), a violation of the
39 provisions this act shall:

40 (1) be considered a material breach of the contract; and
41 (2) result in the contractor being banned for a period of five
42 years from entering into a subsequent contracting agreement with
43 the county or municipality, any agency or department thereof or an
44 independent authority or board thereof, if the developer is found to
45 have knowingly violated the law.

46
47 16. Section 6 of P.L.2004, c.19 (C.19:44A-20.7) is amended to
48 read as follows:

1 6. As used in sections 2 through 11 of **【this act】** P.L.2004, c.19
2 (C.19:44A-20.2 through C.19:44A-20.12):

3 "business entity" means any natural or legal person, sole
4 proprietorship, business corporation, professional services
5 corporation, limited liability company, partnership and any partner
6 thereof, limited partnership and any partner thereof, limited liability
7 partnership and any partner thereof, business trust, association or
8 any other legal commercial entity organized under the laws of this
9 State or of any other state or foreign jurisdiction including any
10 principal, officer or partner thereof. The definition of a business
11 entity includes: (i) any subsidiaries directly or indirectly controlled
12 by the business entity; (ii) any political organization organized
13 under section 527 of the Internal Revenue Code (26 U.S.C.A. §527)
14 that is directly or indirectly controlled by the business entity, other
15 than a candidate committee, election fund, or political party
16 committee; and (iii) if a business entity is a natural person, that
17 person's spouse or child, residing therewith, are also included
18 within this definition, except that: a) such individuals shall not be
19 so included if the natural person complies with section 7 of P.L.
20 2005, c.51 (C.19:44A-20.19); and b) the spouse or child residing
21 with a natural person who is a business entity shall be permitted to
22 make a reportable contribution to a candidate, holder of elective
23 public office or committee in the county or municipality, provided
24 such an individual may vote for the individual responsible for
25 awarding the contract;

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

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

40 "State agency in the Legislative Branch" means the Legislature
41 of the State and any office, board, bureau or commission within or
42 created by the Legislative Branch.
43 (cf: P.L.2005, c.51, s.14)

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

1 7. a. Prior to awarding any contract, **【except a contract that is**
2 awarded pursuant to a fair and open process,**】** a State agency in the
3 Legislative Branch, a county, or a municipality shall require the
4 business entity to which the contract is to be awarded to provide a
5 written certification that it has not made a contribution that would
6 bar the award of a contract pursuant to this act.

7 b. A business entity shall have a continuing duty to report to
8 the Election Law Enforcement Commission any contributions that
9 constitute a violation of this act that are made during the duration of
10 a contract.

11 c. All provisions adopted prior to the effective date of P.L. _____,
12 c. (C. _____) (pending before the Legislature as this bill) by a unit of
13 local government limiting the awarding of public contracts by such
14 a unit to business entities that have made a contribution pursuant to
15 P.L.1973, c.83 (C.19:44A-1 et seq.) and limiting the contributions
16 that the holders of a contract can make during the terms of a
17 contract shall be void on that effective date and the unit shall
18 henceforth be prohibited from adopting any ordinance, resolution or
19 regulation, as may be appropriate, that supplements, alters,
20 supersedes or preempts the provisions of P.L.2004, c.19 (C.19:44A-
21 20.3 et seq.), as amended or supplemented.
22 (cf: P.L.2005, c.51, s.15)
23

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

26 8. If a business entity makes a contribution that would cause it
27 to be ineligible to receive a public contract or, in the case of a
28 contribution made during the term of a public contract, that would
29 constitute a violation of this act, the business entity may request, in
30 writing, within **【60】 30** days of the date on which the contribution
31 was made, that the recipient thereof repay the contribution and, if
32 repayment is received within those **【60】 30** days, the business
33 entity would again be eligible to receive a contract or would no
34 longer be in violation, as appropriate. It shall be presumed that
35 contributions made within 60 days of a election of candidates for
36 elective public office in a county or municipality were not made
37 inadvertently and shall not be eligible for full reimbursement and
38 the entity making the contribution would no longer be eligible to
39 receive a contract.

40 (cf: P.L.2004, c.19, s.8)
41

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

44 10. Any person who is determined by the Election Law
45 Enforcement Commission to have willfully and intentionally
46 accepted a contribution in violation of the provisions of sections 1
47 through 4 of this act shall be liable to a penalty for each such

1 violation equal to the penalties set forth in subsection e. of section
2 22 of P.L.1973, c.83 (C.19:44A-22).

3 Unless remedied in accordance with section 8 of P.L.2004, c.19
4 (C.19:44A-20.9), a violation of the provisions this act shall:

5 (1) be considered a material breach of the contract; and

6 (2) result in the contractor being banned for a period of five
7 years from entering into a subsequent contracting agreement with
8 the county or municipality, any agency or department thereof or an
9 independent authority or board thereof, if the contractor is found to
10 have knowingly violated the law.

11 (cf: P.L.2004, c.19, s.10)

12
13 20. Section 11 of P.L.2004, c.19 (C.19:44A-20.12) is amended
14 to read as follows:

15 11. Nothing contained in this act shall be construed as
16 prohibiting the awarding of a contract when the public exigency
17 requires the immediate delivery of goods or performance of
18 emergency services as determined in writing by the State Treasurer,
19 county or municipal administrator, school district superintendent or
20 fire district administrator, as may be appropriate, explaining the
21 specific reason for the emergency, the finding of facts upon which
22 the reasoning is based, and any limitations of the waiver.

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

24
25 21. Section 2 of P.L.2005, c.51 (C.19:44A-20.14) is amended to
26 read as follows:

27 2. The State or any of its purchasing agents or agencies or
28 those of its independent authorities, as the case may be, shall not
29 enter into an agreement or otherwise contract to procure from any
30 business entity services or any material, supplies or equipment, or
31 to acquire, sell, or lease any land or building, where the value of the
32 transaction exceeds \$17,500, if that business entity has solicited or
33 made any contribution of money, or pledge of contribution,
34 including in-kind contributions to a candidate committee or election
35 fund of any candidate or holder of the public office of Governor or
36 of Lieutenant Governor, or to any **【State or county】** political party
37 committee or legislative leadership committee **【:]** that in the
38 aggregate exceeds \$300 per year to an individual within the area
39 affected by the contract, or that in the aggregate exceeds \$5,000 per
40 year to an entity within the area affected by the contract.

41 The provisions of this section shall apply: (i) within the eighteen
42 months immediately preceding the commencement of negotiations
43 for the contract or agreement; (ii) during the term of office of a
44 Governor and a Lieutenant Governor, in the case of contributions to
45 a candidate committee or election fund of the holder of one of those
46 offices, or to any **【State or county】** political party committee **【of a**
47 **political party】** nominating such Governor and Lieutenant Governor
48 in the last gubernatorial election preceding the commencement of

1 such term; or (iii) within the eighteen months immediately
2 preceding the last day of the term of office of Governor and
3 Lieutenant Governor, in which case such prohibition shall continue
4 through the end of the next immediately following term of the
5 office of Governor and Lieutenant Governor, in the case of
6 contributions to a candidate committee or election fund of the
7 holder of one of those offices, or to any **【State or county】** political
8 party committee **【of a political party】** nominating such Governor
9 and Lieutenant Governor in the last gubernatorial election
10 preceding the commencement of the latter term.

11 As used in this section, “individual within the area affected by
12 the contract” means all candidates for the office of Governor or
13 Lieutenant Governor and holders of such offices; and “entity within
14 the area affected by the contract” means every political party
15 committee and every legislative leadership committee that makes a
16 contribution to a candidate for the office of Governor or Lieutenant
17 Governor and the holders of such offices.

18 (cf: P.L.2009, c.66, s.34)

19

20 22. Section 3 of P.L.2005, c.51 (C.19:44A-20.15) is amended to
21 read as follows:

22 3. No business entity which agrees to any contract or
23 agreement with the State or any department or agency thereof or its
24 independent authorities either for the rendition of services or
25 furnishing of any material, supplies or equipment or for the
26 acquisition, sale, or lease of any land or building, if the value of the
27 transaction exceeds \$17,500, shall knowingly solicit or make any
28 contribution of money, or pledge of a contribution, including in-
29 kind contributions, to a candidate committee or election fund of any
30 candidate or holder of the public office of Governor or Lieutenant
31 Governor or to any **【State or county】** political party committee or
32 legislative leadership committee prior to the completion of the
33 contract or agreement.

34 (cf: P.L.2009, c.66, s.35)

35

36 23. Section 5 of P.L.2005, c.51 (C.19:44A-20.17) is amended to
37 read as follows:

38 5. For the purposes of this act, a "business entity" means any
39 natural or legal person, sole proprietorship, business corporation,
40 professional services corporation, limited liability company,
41 partnership and any partner thereof, limited partnership and any
42 partner thereof, limited liability partnership and any partner thereof,
43 business trust, association or any other legal commercial entity
44 organized under the laws of this State or any other state or foreign
45 jurisdiction including any principal, officer or partner thereof. The
46 definition of a business entity includes: (i) **【all principals who own**
47 **or control more than 10 percent of the profits or assets of a business**
48 **entity or 10 percent of the stock in the case of a business entity that**

1 is a corporation for profit, as appropriate; (ii) any subsidiaries
2 directly or indirectly controlled by the business entity; (iii) (ii)
3 any political organization organized under section 527 of the
4 Internal Revenue Code (26 U.S.C.A. §527) that is directly or
5 indirectly controlled by the business entity, other than a candidate
6 committee, election fund, or political party committee; and (iv)
7 (iii) if a business entity is a natural person, that person's spouse or
8 child, residing therewith, are also included within this definition,
9 except that: a) such individuals shall not be so included if the
10 natural person complies with section 7 of P.L.2005, c.51
11 (C.19:44A-20.19); and b) the spouse or child residing with a natural
12 person who is a business entity shall be permitted to make a
13 reportable contribution to a candidate for or holder of the public
14 office of Governor or Lieutenant Governor or to any State or county
15 political party committee, provided such an contributor may vote
16 for the individual responsible for awarding the contract.

17 (cf: P.L.2005, c.51, s.5)

18
19 24. Section 8 of P.L.2005, c.51 (C.19:44A-20.20) is amended to
20 read as follows:

21 8. If a business entity inadvertently makes a contribution that
22 would otherwise bar it from receiving a contract or makes a
23 contribution during the term of a contract in violation of this act, the
24 entity may request a full reimbursement from the recipient and, if
25 such reimbursement is received within 30 days after the date on
26 which the contribution was made, the business entity would again
27 be eligible to receive a contract or would no longer be in violation,
28 as appropriate. It shall be presumed that contributions made within
29 60 days of a gubernatorial primary or general election were not
30 made inadvertently and shall not be eligible for full reimbursement
31 and the entity making the contribution would no longer be eligible
32 to receive a contract.

33 (cf: P.L.2005, c.51, s.8)

34
35 25. Section 9 of P.L.2005, c.51 (C.19:44A-20.21) is amended to
36 read as follows:

37 9. It shall be a breach of the terms of the government contract
38 for a business entity to: (i) make or solicit a contribution in
39 violation of this act; (ii) knowingly conceal or misrepresent a
40 contribution given or received; (iii) make or solicit contributions
41 through intermediaries for the purpose of concealing or
42 misrepresenting the source of the contribution; (iv) make or solicit
43 any contribution on the condition or with the **[agreement]**
44 understanding that it will be contributed to a campaign committee
45 of any candidate or holder of the public office of Governor or
46 Lieutenant Governor, or to any **[State or county]** political party
47 committee or legislative leadership committee; (v) engage or

1 employ a lobbyist or consultant with the intent or understanding
2 that such lobbyist or consultant would make or solicit any
3 contribution, which if made or solicited by the business entity itself,
4 would subject that entity to the restrictions of this act; (vi) fund
5 contributions made by third parties, including consultants,
6 attorneys, family members, and employees; (vii) engage in any
7 exchange or contributions to circumvent the intent of this act; or
8 (viii) directly or indirectly, through or by any other person or
9 means, do any act which would subject that entity to the restrictions
10 of this act.

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

12

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

15 12. Every contract and bid application and specifications
16 promulgated in connection therewith covered by this act shall
17 contain:

18 a. a provision describing the requirements of this act [and];

19 b. a statement that compliance with this act shall be a material
20 term and condition of said contract or bid application and binding
21 upon the parties thereto upon the entry of all applicable contracts;
22 and

23 c. a description of the penalties for which the signer of a
24 contract would be liable in the event of a breach of a government
25 contract or for failure to comply with the provisions of this act.

26 Unless remedied in accordance with section 8 of P.L.2005, c.51
27 (C.19:44A-20.20), a violation of the provisions this act shall:

28 (1) be considered a material breach of the contract, pursuant to
29 section 9 of P.L.2005, c.51 (C.19:44A-20-21); and

30 (2) result in the contractor being banned for a period of five
31 years from entering into a subsequent contracting agreement with
32 the State, any agency or department thereof or an independent State
33 authority or board thereof, if the developer is found to have
34 knowingly violated the law.

35 (cf: P.L.2005, c.51, s.12)

36

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

39 2. a. Not later than 10 days prior to entering into any contract
40 having an anticipated value in excess of \$17,500, except for a
41 contract that is required by law to be publicly advertised for bids, a
42 State agency, county, municipality, independent authority, board of
43 education, or fire district shall require any business entity bidding
44 thereon or negotiating therefor, to submit along with its bid or price
45 quote, a list of political contributions as set forth in this subsection
46 that are reportable by the recipient pursuant to the provisions of
47 P.L.1973, c.83 (C.19:44A-1 et al.) and that were made by the
48 business entity during the preceding 12-month period, along with

1 the date and amount of each contribution and the name of the
2 recipient of each contribution. A business entity contracting with a
3 State agency shall disclose contributions to any State, county, or
4 municipal committee of a political party, legislative leadership
5 committee, candidate committee of a candidate for, or holder of, a
6 State elective office, or any continuing political committee. A
7 business entity contracting with a county, municipality, independent
8 authority, other than an independent authority that is a State agency,
9 board of education, or fire district shall disclose contributions to:
10 any State, county, or municipal committee of a political party; any
11 legislative leadership committee; or any candidate committee of a
12 candidate for, or holder of, an elective office of that public entity,
13 of that county in which that public entity is located, of another
14 public entity within that county, or of a legislative district in which
15 that public entity is located or, when the public entity is a county, of
16 any legislative district which includes all or part of the county, or
17 any continuing political committee.

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

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

35 c. As used in this section:

36 "business entity" means a for-profit entity that is a natural or
37 legal person, sole proprietorship, business corporation, professional
38 services corporation, limited liability company, partnership and any
39 partner thereof, limited partnership and any partner thereof, limited
40 liability partnership and partner thereof, business trust, association
41 or any other legal commercial entity organized under the laws of
42 this State or of any other state or foreign jurisdiction including any
43 principal, officer or partner thereof. The definition of a business
44 entity includes: (i) any subsidiaries directly or indirectly controlled
45 by the business entity; (ii) any political organization organized
46 under section 527 of the Internal Revenue Code (26 U.S.C.A. §527)
47 that is directly or indirectly controlled by the business entity, other
48 than a candidate committee, election fund, or political party

1 committee; and (iii) if a business entity is a natural person, that
2 person's spouse or child, residing therewith, are also included
3 within this definition, except that: a) such individuals shall not be
4 so included if the natural person complies with section 7 of
5 P.L.2005, c.51 (C.19:44A-20.19); and b) the spouse or child
6 residing with a natural person who is a business entity shall be
7 permitted to make a reportable contribution to the appropriate
8 candidate, holder of elective public office or committee, provided
9 such an individual may vote for the individual responsible for
10 awarding the contract;

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

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

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

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

28

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

31 3. a. Any business entity making a contribution of money or
32 any other thing of value, including an in-kind contribution, or
33 pledge to make a contribution of any kind to: (1) a candidate for or
34 the holder of any public office having ultimate responsibility for the
35 awarding of public contracts, or to a political party committee,
36 legislative leadership committee, political committee or continuing
37 political committee, which has received in any calendar year
38 \$50,000 or more in the aggregate through agreements or contracts
39 with a public entity**【.】**; or (2) any political organization organized
40 under section 527 of the Internal Revenue Code (26 U.S.C.A. §527)
41 that also meets the definition of a "continuing political committee"
42 within the meaning of section 3 of P.L.1973, c.83 (C.19:44A-3)
43 shall file an annual disclosure statement with the New Jersey
44 Election Law Enforcement Commission, established pursuant to
45 section 5 of P.L.1973, c.83 (C.19:44A-5), setting forth all such
46 contributions made by the business entity during the 12 months
47 prior to the reporting deadline.

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

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

7 (2) the name of the candidate for or the holder of any public
8 office having ultimate responsibility for the awarding of public
9 contracts, candidate committee, joint candidates committee,
10 political party committee, legislative leadership committee, political
11 committee ~~【or】~~, continuing political committee or political
12 organization organized under section 527 of the federal Internal
13 Revenue Code (26 U.S.C.A. §527) receiving the contribution; and

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

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

20 d. When a business entity is a natural person, a contribution by
21 that person's spouse or child, residing therewith, shall be deemed to
22 be a contribution by the business entity. When a business entity is
23 other than a natural person, a contribution by any person or other
24 business entity having an interest therein shall be deemed to be a
25 contribution by the business entity. When a business entity is other
26 than a natural person, a contribution by: all principals, partners,
27 officers, or directors of the business entity, or their spouses; any
28 subsidiaries directly or indirectly controlled by the business entity;
29 or any political organization organized under section 527 of the
30 Internal Revenue Code (26 U.S.C.A. §527) that is directly or
31 indirectly controlled by the business entity, other than a candidate
32 committee, election fund, or political party committee, shall be
33 deemed to be a contribution by the business entity.

34 As used in this section:

35 "business entity" means a for-profit entity that is a natural or
36 legal person, sole proprietorship, business corporation, professional
37 services corporation, limited liability company, partnership and any
38 partner thereof, limited partnership and any partner thereof, limited
39 liability partnerships and any partner thereof, business trust,
40 association or any other legal commercial entity organized under
41 the laws of this State or of any other state or foreign jurisdiction
42 including any principal, officer or partner thereof. The definition of
43 a business entity includes: (i) any subsidiaries directly or indirectly
44 controlled by the business entity; (ii) any political organization
45 organized under section 527 of the Internal Revenue Code (26
46 U.S.C.A. §527) that is directly or indirectly controlled by the
47 business entity, other than a candidate committee, election fund, or
48 political party committee; and (iii) if a business entity is a natural

1 person, that person's spouse or child, residing therewith, are also
2 included within this definition, except that: a) such individuals shall
3 not be so included if the natural person complies with section 7 of
4 P.L.2005, c.51 (C.19:44A-20.19); and b) the spouse or child
5 residing with a natural person who is a business entity shall be
6 permitted to make a reportable contribution to a candidate, holder
7 of elective public office or committee in the county or municipality,
8 provided such an individual may vote for the individual responsible
9 for awarding the contract; and

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

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

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

20
21 29. (New section) No individual or business entity shall
22 knowingly make a contribution of money or any other thing of
23 value to a political committee, continuing political committee, or
24 legislative leadership committee that has knowingly made a
25 contribution of money or any other thing of value to another
26 political party committee, a candidate committee or a joint
27 candidates committee or legislative leadership committee that is
28 prohibited from making contributions to the holders of or
29 candidates for elective public office pursuant to P.L.2004, c.19
30 (C.19:44A-20.3 et seq.) or P.L.2005, c.51 (19:44A-20.13 et seq.).
31 No political committee, continuing political committee or
32 legislative leadership committee that has knowingly made a
33 contribution of money or any other thing of value to another
34 political party committee, a candidate committee or a joint
35 candidates committee or legislative leadership committee that is
36 prohibited from making contributions to the holders of or
37 candidates for elective public office pursuant to P.L.2004, c.19
38 (C.19:44A-20.3 et seq.) or P.L.2005, c.51 (19:44A-20.13 et seq.)
39 shall knowingly accept a contribution of money or any other thing
40 of value from an individual or a business entity.

41
42 30. Section 1 of P.L.2005, c.271 (C.40A:11-51) is repealed.

43
44 31. This act shall take effect on January 1 next following the day
45 of enactment.

STATEMENT

The purpose of this bill is to modify the current law regarding the regulation of and restrictions on business entities that are awarded public contracts and make campaign contributions to certain holders of public offices, candidates and political organizations. Specifically, the bill:

- codifies and expands the provisions of Executive Order #118 of 2008, to limit redevelopers from eligibility for participation in a State or local redevelopment project if the redeveloper has made a campaign contribution to any candidate for the office of Governor or Lieutenant Governor, a political party committee, a legislative leadership committee, a candidate for or the holder of a State legislative, county or municipal elective public office in a State legislative district, county or municipality in which any property subject to a redevelopment is situated;
- codifies the provisions of Executive Order #117 of 2008 to provide that legislative leadership committees and municipal political party committees would be unable to receive contributions from entities seeking public contracts with government entities in the municipalities affected by the contract;
- removes the exception for contracts with a State agency in the Legislative Branch, a county or a municipality awarded pursuant to “a fair and open process;”
- includes sole proprietorship and any partner in any type of partnership, including a limited liability partnership, in the definition of business entity;
- expands definition of business entity to include: a) any subsidiaries directly or indirectly controlled by the business entity; b) any political organization organized under section 527 of the Internal Revenue Code (26 U.S.C.A. §527) that is directly or indirectly controlled by the business entity, other than a candidate committee, election fund, or political party committee; and c) if a business entity is a natural person, that person's spouse or child, residing therewith, with certain exceptions;
- establishes limits on the amount of contributions that an individual or business can make to candidates, office holders and political party committees who have ultimate decision-making authority over the awarding of public contracts to State, county or municipal government, respectively, with a limit of \$300 per year on individuals involved with State or local government contracts, a limit of \$1,000 per year on business entities involved with local government contracts, and a limit of \$5,000 per year on business entities involved with State government contracts;

- 1 • requires any business entities that makes a contribution to
2 any political organization organized under section 527 of the
3 federal Internal Revenue Code that also meets the definition
4 of continuing political committee under current law to file an
5 annual disclosure statement with the Election Law
6 Enforcement Commission;
- 7 • requires all contract and bid specifications to contain: (1) a
8 description of the requirements of N.J.S.A.19:44A-20.7 et
9 seq. or N.J.S.A.19:44A-20.13 et seq., as may be appropriate;
10 (2) a statement that compliance with those acts are binding;
11 and (3) a description of the penalties for which the signer of
12 a contract would be liable in the event of a breach of a
13 government contract or failure to comply with either act, as
14 may be appropriate, including a notice that provides that
15 unless cured, a violation of the law would: 1) be considered
16 a material breach of the contract; and 2) result in the
17 contractor being banned for a period of five years from
18 entering into a subsequent contracting agreement with the
19 State, county or municipality, any agency or department
20 thereof or an independent authority or board thereof, if the
21 contractor is found to have knowingly violated the law;
- 22 • bans a county committee of a political party from making a
23 contribution to any other county committee of a political
24 party;
- 25 • bans a county committee of a political party from making a
26 contribution to the State committee of a political party that
27 in the aggregate exceeds \$25,000 per year;
- 28 • bans a county committee of a political party from making a
29 contribution to a municipal committee of a political party
30 located outside of the county;
- 31 • bans a municipal committee of a political party from making
32 a contribution to any other municipal committee;
- 33 • prohibits contributions by individuals and business entities
34 to a political committee, continuing political committee or a
35 legislative leadership committee that has made a
36 contribution to a political party committee, a candidate
37 committee or a joint candidates committee or legislative
38 leadership committee that is prohibited from making
39 contributions to the holders of or candidates for elective
40 office by current law; and
- 41 • repeals N.J.S.40A:11-51, which permitted a county,
42 municipality, independent authority, board of education or
43 fire district from establishing measures limiting the awarding
44 of public contracts from such a local government unit to
45 business entities that have made a campaign contribution and
46 limiting the contributions that the holders of a contract can
47 make during the term of a contract.