ASSEMBLY, No. 506



STATE OF NEW JERSEY

220th LEGISLATURE



PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

Sponsored by:

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

Co-Sponsored by:

Assemblywoman Lopez, Assemblyman Bergen, Assemblywomen Piperno and Eulner

SYNOPSIS

Establishes price preference program on State contracts for service-disabled veteran-owned businesses.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



An Act concerning preferences for service-disabled veteran-owned businesses and supplementing P.L.1954, c.84 (C.52:34-6 et seq.).

Be It Enacted by the Senate and General Assembly of the State of New Jersey:

1. In awarding a contract which is paid with State funds and publicly advertised for bids, a State agency shall give a preference of up to 10 percent of the amount of the contract to a qualified disabled veterans’ business. If the qualified disabled veterans’ business otherwise meets the requirements of the contract solicitation and with the preference is the lowest bidder, a State agency shall enter into a procurement contract with the qualified disabled veterans’ business. If two or more qualified disabled veterans’ businesses are the lowest bidders on a contract, the qualified disabled veterans’ business with the lowest bid shall be awarded the contract.

If a disabled-veteran owner dies during the term of a contract or in the bidding process for a contract and the surviving spouse acquires the disabled-veteran’s ownership interest in the business, the business shall remain eligible for the preference and that contract during the term of the contract or the bidding process for that contract.

As used in this act:

“Disabled veteran” means a resident of this State who has been certified by the United States Department of Veterans Affairs as having any degree of service-connected disability.

“Qualified disabled veterans’ business” means a business which (1) has its principal place of business in the State, (2) is independently owned and operated, (3) at least 51 percent of which is owned and controlled by persons who are disabled veterans, and (4) the management and daily business operations are controlled by one or more disabled veterans or, in the case of a disabled veteran with a permanent and severe disability, are controlled by the spouse of such veteran.

2. This act shall take effect immediately.

STATEMENT

This bill establishes a price preference program for service-disabled veteran-owned businesses competing for State contracts.

Under current law, certain purchases or contracts payable out of State funds are publicly advertised and competitively bid on by businesses. The State then awards the contract to the lowest bidder.

This bill would establish a price preference of up to 10 percent of the amount of the contract to a qualified disabled veterans’ business. If the disabled veterans’ business meets the requirements of the contract solicitation and is the lowest bidder due to the preference program, a State agency will enter into a procurement contract with the disabled veterans’ business. If two or more qualified disabled veterans’ businesses bid on a contract utilizing the preference program, the disabled veterans’ business with the lowest bid will be awarded the contract.

This bill defines “disabled veteran” to mean a resident of this State who has been certified by the United States Department of Veterans Affairs as having any degree of service-connected disability.

This bill defines “qualified disabled veterans’ business” to mean an independently owned and operated business that has its principal place of business in the State, at least 51 percent of which is owned and controlled by persons who are disabled veterans, and the management and daily business operations are controlled by one or more disabled veterans or, in the case of a disabled veteran with a permanent and severe disability, are controlled by the spouse of such veteran.