

**ASSEMBLY, No. 5612**

---

**STATE OF NEW JERSEY**

**220th LEGISLATURE**

---

INTRODUCED JUNE 15, 2023

**Sponsored by:**  
**Assemblyman REGINALD W. ATKINS**  
**District 20 (Union)**

**SYNOPSIS**

Increases bid advertising threshold on certain purchases, contracts, or agreements.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning the advertising threshold for State contracts and  
2 amending P.L.1954, c.48.

3  
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

6  
7 1. Section 2 of P.L.1954, c.48 (C.52:34-7) is amended to read  
8 as follows:

9 2. a. Any such purchase, contract or agreement may be made,  
10 negotiated, or awarded by the Director of the Division of Purchase  
11 and Property or the Director of the Division of **【Building】** Property  
12 Management and Construction, as the case may be, without  
13 advertising, in any manner which the director may deem effective to  
14 promote full and free competition whenever competition is  
15 practicable, if: (1) in the case of purchases for goods or services, the  
16 aggregate amount involved does not exceed \$150,000 beginning on  
17 the effective date of P.L.2021, c.412, \$200,000 beginning on  
18 January 1, 2023, and \$250,000 beginning on January 1, 2024 and  
19 thereafter, or the amount determined pursuant to subsection b. of  
20 this section, whichever is greater; or (2) (Deleted by amendment,  
21 P.L.1985, c.107); or (3) the aggregate amount involved including  
22 labor and construction materials does not exceed **【\$25,000.00】**  
23 \$150,000 or the amount determined pursuant to subsection b. of this  
24 section in the case of contracts or agreements for the erection,  
25 construction, alteration, or repair of any public building or facility.

26 When the aggregate amount involved does not exceed the  
27 amount specified in paragraph (1) of subsection a. of this section, or  
28 the amount specified in paragraph (3) of subsection a. of this  
29 section or the amount determined pursuant to subsection b. of this  
30 section, the Director of the Division of Purchase and Property or the  
31 Director of the Division of **【Building】** Property Management and  
32 Construction may, at the director's discretion, delegate to the  
33 appropriate State department or using agency the director's  
34 authority to make, negotiate, or award a contract or agreement  
35 without advertising.

36 The Director of the Division of Purchase and Property or the  
37 Director of the Division of **【Building】** Property Management and  
38 Construction, as the case may be, shall establish, in accordance with  
39 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
40 seq.), rules and regulations concerning procedural requirements for  
41 the making, negotiating or awarding of purchases, contracts or  
42 agreements pursuant to this section, at the director's discretion.

43 b. The Governor, in consultation with the Department of the  
44 Treasury, shall, no later than March 1 of every fifth year beginning  
45 in the fifth year after the year in which P.L.1999, c.440 takes effect,  
46 adjust the threshold amount set forth in subsection a. of this section,

**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 or the threshold amount resulting from any adjustment under this  
 2 subsection, in direct proportion to the rise or fall of the index rate as  
 3 that term is defined in section 2 of P.L.1971, c.198 (C.40A:11-2),  
 4 and shall round the adjustment to the nearest \$1,000. The Governor  
 5 shall, no later than June 1 of every fifth year, notify the Director of  
 6 the Division of Purchase and Property and the Director of the  
 7 Division of **【Building】** Property Management and Construction of  
 8 the adjustment. The adjustment shall become effective on July 1 of  
 9 the year in which it is made.

10 (cf: P.L.2021, c.412, s.2)

11  
 12 2. This act shall take effect immediately.

13  
 14  
 15 STATEMENT

16  
 17 This bill increases, from \$25,000 to \$150,000, the bid advertising  
 18 threshold on certain State contracts.

19 This bill would allow smaller construction and repair projects  
 20 under \$150,000 to be informally bid by the using agency without  
 21 full advertising thereby reducing the time and cost required to  
 22 complete these smaller projects.

23 Under current law, any purchase, contract, or agreement may be  
 24 made, negotiated, or awarded by the Director of the Division of  
 25 Purchase and Property or the Director of the Division of Property  
 26 Management and Construction without advertising if the aggregate  
 27 amount involved including labor and construction materials does  
 28 not exceed \$25,000 or the amount adjusted by the Governor, in  
 29 consultation with the Department of the Treasury as permitted by  
 30 current law. This threshold applies to certain contracts or  
 31 agreements for the erection, construction, alteration or repair of any  
 32 public building or facility. The most recent adjustment to the  
 33 amount was made in 2021 and is currently \$71,000. This bill  
 34 increases the bid advertising threshold in the case of purchases of  
 35 labor and construction materials to \$150,000.