

§§1,7-9  
C.52:32-60.1 to  
52:32-60.4  
§2  
C.40A:11-2.2  
§3  
C.18A:18A-49.5  
§4  
C.18A:64-85.1  
§5  
C.18A:64A-25.44  
§6  
C.52:18A-89.16  
§9  
Note  
§10  
Note

P.L. 2022, CHAPTER 3, *approved March 9, 2022*  
Senate, No. 1889 (*Second Reprint*)

1 **AN ACT** prohibiting government dealings with businesses associated  
2 with Belarus or Russia, supplementing Title 52 of the New  
3 Jersey Statutes.

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

7  
8 1. a. A person that is identified on a list created pursuant to  
9 subsection b. of this section as a person that has been determined to  
10 engage in <sup>2</sup>**[investment]** prohibited<sup>2</sup> activities in Russia or Belarus  
11 shall be ineligible to and shall not:

12 (1) <sup>2</sup>**[bid on, submit a proposal for,]**<sup>2</sup> enter into <sup>2</sup>**[,]**<sup>2</sup> or renew a  
13 contract with a State agency for the provision of goods or services  
14 <sup>1</sup>or the purchase of bonds or other obligations<sup>1</sup>;

15 (2) file or renew a Public Works Contractor Registration with  
16 the Department of Labor and Workforce Development;

17 (3) <sup>2</sup>be approved for or continue to<sup>2</sup> receive an economic  
18 development subsidy from the Economic Development Authority in  
19 but not of the Department of the Treasury, be awarded a municipal  
20 property tax abatement, or make or enter into a payment in-lieu of  
21 property tax agreement;

22 (4) apply for or receive a tax clearance certificate from the  
23 Director of the Division of Taxation in the Department of the  
24 Treasury;

**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.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate SBA committee amendments adopted February 28, 2022.

<sup>2</sup>Senate floor amendments adopted March 7, 2022.

1 (5) be certified by the Department of Community Affairs as an  
2 urban renewal entity for purposes of the "Long Term Tax  
3 Exemption Law," P.L.1991, c.431 (C.40A:20-1 et seq.); and

4 (6) be designated as a redeveloper by a public agency for the  
5 purpose of planning, replanning, construction, or undertaking of any  
6 project or redevelopment work in accordance with the "Local  
7 Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et  
8 seq.).

9 b. <sup>2</sup>~~Within 30 days of~~ Immediately upon<sup>2</sup> the effective date  
10 of this section, the Department of the Treasury shall, using credible  
11 information available to the public, <sup>2</sup>~~develop~~ begin developing<sup>2</sup> a  
12 list of persons it determines engage in <sup>2</sup>~~investment~~ prohibited<sup>2</sup>  
13 activities in Russia or Belarus. <sup>2</sup>The department is authorized to  
14 consult an independent research firm that specializes in global  
15 security risk for portfolio determinations, as selected by the State  
16 Treasurer, to develop the list.<sup>2</sup> The department shall update the list  
17 <sup>2</sup>on a rolling basis. Beginning after the 91st day next following the  
18 date of enactment of this section, the department shall be required  
19 to update the list at least<sup>2</sup> every <sup>1</sup>~~60 days~~ six months<sup>1</sup> <sup>2</sup>~~after the~~  
20 publication of an initial list<sup>2</sup>. Before including a person or entity  
21 on the initial list or an updated list, the department shall:

22 (1) provide notice of its intent to include the person on the list.  
23 The notice shall inform the person that inclusion on the list would  
24 make the person ineligible to engage in any of the enumerated  
25 activities specified by subsection a. of this section; and

26 (2) provide a person with an opportunity to comment in writing  
27 that the person is not engaged in <sup>2</sup>~~investment~~ prohibited<sup>2</sup>  
28 activities in Russia or Belarus. If the person demonstrates to the  
29 department that the person is not engaged in <sup>2</sup>~~investment~~  
30 prohibited<sup>2</sup> activities in Russia or Belarus, the person or entity shall  
31 not be included on the list.

32 c. A State agency <sup>2</sup>or local unit, as applicable<sup>2</sup> shall require a  
33 person seeking to engage in any of the enumerated activities  
34 specified by subsection a. of this section to certify <sup>1</sup>, before the  
35 contract is awarded, renewed, <sup>2</sup>amended, <sup>2</sup>or extended,<sup>1</sup> <sup>2</sup>, or before  
36 applying for certification as an urban renewal entity or designation  
37 as a redeveloper<sup>2</sup> that the person is not identified on a list created  
38 pursuant to this section as a person engaging in <sup>2</sup>~~investment~~  
39 prohibited<sup>2</sup> activities in Russia or Belarus. The certification  
40 required shall be executed on behalf of the applicable person by an  
41 authorized officer or representative of the person. If a person is  
42 unable to make the certification required because the person or one  
43 of the person's parents, subsidiaries, or affiliates has engaged in  
44 <sup>2</sup>~~investment~~ prohibited<sup>2</sup> activity in Russia or Belarus, the person  
45 shall provide to the State agency or local unit of government  
46 concerned, prior to the deadline for delivery of such certification, a

1 detailed and precise description of such activities, such description  
2 to be provided under penalty of perjury. The certifications provided  
3 under this section and disclosures provided under this section shall  
4 be disclosed to the public.

5 d. (1) If the department determines, using credible information  
6 available to the public and after providing notice and an opportunity  
7 to comment in writing for the person to demonstrate that it is not  
8 engaged in <sup>2</sup>~~[investment]~~ prohibited<sup>2</sup> activities in Russia or  
9 Belarus, that the person or entity has submitted a false certification  
10 pursuant to this section, and the person fails to demonstrate to the  
11 department that the person has ceased its engagement in the  
12 <sup>2</sup>~~[investment]~~ prohibited<sup>2</sup> activities in Russia or Belarus within 90  
13 days after the determination of a false certification, the following  
14 shall apply:

15 (a) pursuant to an action under paragraph (2) of this subsection,  
16 a civil penalty in an amount that is equal to the greater of  
17 \$1,000,000 or twice the amount of the bid or application listed in  
18 subsection a. of this section for which the false certification was  
19 made.

20 (b) termination of an existing contract, registration, economic  
21 development subsidy, tax abatement, payment in-lieu of property  
22 tax agreement, certification, or designation as deemed appropriate  
23 by the issuing agency <sup>1</sup>or the application process for any of the  
24 foregoing<sup>1</sup>.

25 (c) ineligibility to engage in any of the enumerated activities  
26 specified by subsection a. of this section for a period of three years  
27 from the date of the determination that the person submitted the  
28 false certification <sup>2</sup>, provided that the person has ceased its  
29 engagement in the prohibited activities in Russia or Belarus<sup>2</sup>.

30 (2) The department shall report to the Attorney General the  
31 name of the person that the State agency determines has submitted a  
32 false certification under this section, together with its information  
33 as to the false certification, and the Attorney General shall  
34 determine whether to bring a civil action against the person to  
35 collect the penalty described in this subsection. Only one civil  
36 action against the person to collect the penalty described in this  
37 subsection may be brought for a false certification on a bid or  
38 application listed in subsection a. of this section. A civil action to  
39 collect such penalty shall commence within three years from the  
40 date the certification is made.

41 e. For purposes of this section:

42 "Economic development subsidy" means the provision of an  
43 amount of funds to a recipient with a value of greater than \$25,000  
44 for the purpose of stimulating economic development in New  
45 Jersey, including, but not limited to, any <sup>2</sup>investment,<sup>2</sup> bond, grant,  
46 loan, loan guarantee, matching fund, tax credit, or other tax  
47 expenditure.

1       <sup>2</sup>[<sup>1</sup>“Engaged in investment activities in Russia or Belarus”  
2 means investing directly in companies owned or controlled by the  
3 government of Russia or Belarus or an instrumentality of the  
4 government of Russia or Belarus or engaged in business in or with  
5 either of those governments or its instrumentalities.] “Engaged in  
6 prohibited activities in Russia or Belarus” means (1) companies in  
7 which the Government of Russia or Belarus has any direct equity  
8 share; (2) having any business operations commencing after the  
9 effective date of this act that involve contracts with or the provision  
10 of goods or services to the Government of Russia or Belarus; (3)  
11 being headquartered in Russia or having its principal place of  
12 business in Russia or Belarus, or (4) supporting, assisting or  
13 facilitating the Government of Russia or Belarus in their campaigns  
14 to invade the sovereign country of Ukraine, either through in-kind  
15 support or for profit.<sup>2</sup>

16       “Person or entity” means any of the following:

17       (1) A natural person, corporation, company, limited partnership,  
18 limited liability partnership, limited liability company, business  
19 association, sole proprietorship, joint venture, partnership, society,  
20 trust, or any other nongovernmental entity, organization, or group;

21       (2) Any governmental entity or instrumentality of a government,  
22 including a multilateral development institution, as defined in  
23 Section 1701(c)(3) of the International Financial Institutions Act,  
24 22 U.S.C. 262r(c)(3); or

25       (3) Any parent, successor, subunit, direct or indirect subsidiary,  
26 or any entity under common ownership or control with, any entity  
27 described in paragraph (1) or (2).<sup>1</sup>

28       “Russia” and “Belarus” mean, respectively, the governments of  
29 Russia and Belarus, and include the territories of those nations and  
30 any other territory or marine area <sup>2</sup>[, including the exclusive  
31 economic zone and continental shelf, over which either government  
32 claims sovereignty, sovereign rights, or jurisdiction, provided that  
33 the government exercises partial or total control over the area or  
34 derives a benefit from economic activity in the area pursuant to  
35 international arrangements] that are recognized by the United  
36 States as part of either country.<sup>2</sup>

37       “State agency” means any of the principal departments in the  
38 Executive Branch of the State government, and any division, board,  
39 bureau, office, commission or other instrumentality within or  
40 created by such department; the Legislature of the State and any  
41 office, board, bureau or commission within or created by the  
42 Legislative Branch; and any independent State authority,  
43 commission, instrumentality or agency that is authorized by law to  
44 award public contracts. “State agency” shall also include a public  
45 research university that is not a State college subject to the  
46 provisions of the "State College Contracts Law," P.L.1986, c.43  
47 (C.18A:64-52 et seq.).

1       2. a. A local contracting unit as defined in and subject to the  
2 provisions of the “Local Public Contracts Law,” P.L.1971, c.198  
3 (C.40A:11-1 et seq.), shall implement and comply with the  
4 provisions of P.L. , c. (C. ) (pending before the Legislature  
5 as this bill), except that the contracting unit shall rely on the list  
6 developed by the Department of the Treasury pursuant to subsection  
7 b. of section 1 of P.L. , c. (C. ) (pending before the  
8 Legislature as this bill).

9       b. If the local contracting unit determines that a person has  
10 submitted a false certification concerning its engagement in  
11 <sup>2</sup>**[investment] prohibited<sup>2</sup>** activities in Russia or Belarus pursuant  
12 to section 1 of P.L. , c. (C. ) (pending before the Legislature  
13 as this bill), the local contracting unit shall report to the New Jersey  
14 Attorney General the name of that person or entity, and the  
15 Attorney General shall determine whether to bring a civil action  
16 against the person to collect the penalty prescribed in subsection c.  
17 of section 1 of P.L. , c. (C. ) (pending before the  
18 Legislature as this bill).

19       c. The local contracting unit may also report to the municipal  
20 attorney or county counsel, as appropriate, the name of that person,  
21 together with its information as to the false certification, and the  
22 municipal attorney or county counsel, as appropriate, may  
23 determine to bring such civil action against the person to collect  
24 such penalty.

25

26       3. a. A board of education as defined in and subject to the  
27 provisions of the "Public School Contracts Law," P.L.1977, c.114  
28 (N.J.S.18A:18A-1 et seq.), shall implement and comply with the  
29 provisions of P.L. , c. (C. ) (pending before the Legislature  
30 as this bill), except that the board shall rely on the list developed by  
31 the Department of the Treasury pursuant to subsection b. of section  
32 1 of P.L. , c. (C. ) (pending before the Legislature as this  
33 bill).

34       b. If the board determines that a person or entity has submitted  
35 a false certification concerning its engagement in <sup>2</sup>**[investment]**  
36 **prohibited<sup>2</sup>** activities in Russia or Belarus pursuant to section 1 of  
37 P.L. , c. (C. ) (pending before the Legislature as this bill), the  
38 board shall report to the New Jersey Attorney General the name of  
39 that person, and the Attorney General shall determine whether to  
40 bring a civil action against the person to collect the penalty  
41 prescribed in subsection c. of section 1 of P.L. , c. (C. )  
42 (pending before the Legislature as this bill).

43       c. The board may also report to the board’s attorney the name  
44 of that person, together with its information as to the false  
45 certification, and the board’s attorney may determine to bring such  
46 civil action against the person to collect such penalty.

1       4. a. A State college as defined in and subject to the provisions  
2 of the "State College Contracts Law," P.L.1986, c.43 (C.18A:64-52  
3 et seq.), shall implement and comply with the provisions of  
4 P.L. , c. (C. ) (pending before the Legislature as this bill),  
5 except that the State college shall rely on the list developed by the  
6 Department of the Treasury pursuant to subsection b. of section 1 of  
7 P.L. , c. (C. ) (pending before the Legislature as this bill).

8       b. If the State college determines that a person has submitted a  
9 false certification concerning its engagement in <sup>2</sup>**[investment]**  
10 prohibited<sup>2</sup> activities in Russia or Belarus pursuant to section 1 of  
11 P.L. , c. (C. ) (pending before the Legislature as this bill), the  
12 State college shall report to the New Jersey Attorney General the  
13 name of that person, and the Attorney General shall determine  
14 whether to bring a civil action against the person to collect the  
15 penalty prescribed in subsection c. of section 1 of  
16 P.L. , c. (C. ) (pending before the Legislature as this bill).

17       c. The State college may also report to the State college  
18 attorney the name of that person, together with its information as to  
19 the false certification, and the State college attorney may determine  
20 to bring such civil action against the person to collect such penalty.  
21

22       5. a. A county college as defined in and subject to the  
23 provisions of the "County College Contracts Law," P.L.1982, c.189  
24 (C.18A:64A-25.1 et seq.), shall implement and comply with the  
25 provisions of P.L. , c. (C. ) (pending before the Legislature  
26 as this bill), except that the county college shall rely on the list  
27 developed by the Department of the Treasury pursuant to subsection  
28 b. of section 1 of P.L. , c. (C. ) (pending before the  
29 Legislature as this bill).

30       b. If the county college determines that a person has submitted  
31 a false certification concerning its engagement in <sup>2</sup>**[investment]**  
32 prohibited<sup>2</sup> activities in Russia or Belarus pursuant to section 1 of  
33 P.L. , c. (C. ) (pending before the Legislature as this bill), the  
34 county college shall report to the New Jersey Attorney General the  
35 name of that person, and the Attorney General shall determine  
36 whether to bring a civil action against the person or entity to collect  
37 the penalty prescribed in subsection c. of section 1 of  
38 P.L. , c. (C. ) (pending before the Legislature as this bill).

39       c. The county college may also report to the county college  
40 attorney the name of that person, together with its information as to  
41 the false certification, and the county college attorney may  
42 determine to bring such civil action against the person to collect  
43 such penalty.  
44

45       6. a. Notwithstanding any provision of law to the contrary,  
46 <sup>1</sup>except section 11 of P.L.1950 c.270 (C.52:18A-89), as amended,<sup>1</sup>  
47 no assets of any pension or annuity fund under the jurisdiction of

1 the Division of Investment in the Department of the Treasury, or its  
 2 successor, shall be invested <sup>1</sup>directly<sup>1</sup> in a company <sup>2</sup>~~["~~<sup>1</sup>with an  
 3 equity tie to~~"]~~ owned or controlled by<sup>1</sup> the government of Russia or  
 4 Belarus, or an instrumentality of the government of Russia or  
 5 Belarus, <sup>1</sup>~~["and"]~~ or<sup>1</sup> is engaged in business in or with either of those  
 6 governments or its instrumentalities. This prohibition shall not  
 7 apply to the activities of a company providing humanitarian aid to  
 8 the Russian or Belarusian people through a governmental or non-  
 9 governmental organization.~~"]~~ included in the Department of the  
 10 Treasury's list created pursuant to subsection b. of section 1 of  
 11 P.L. , c. (C. ) (pending before the Legislature as this bill) for  
 12 engaging in prohibited activities in Russia or Belarus.<sup>2</sup>

13 b. The State Investment Council and the Director of the  
 14 Division of Investment <sup>2</sup>~~["~~, after reviewing the recommendations of  
 15 and consulting with an independent research firm that specializes in  
 16 global security risk for portfolio determinations <sup>1</sup>~~["selected by the~~  
 17 ~~State Treasurer"]~~<sup>1,2</sup> shall take appropriate action to sell, redeem,  
 18 divest, or withdraw any investment held in violation of subsection  
 19 a. of this section. <sup>2</sup>~~["This section shall not be construed to require~~  
 20 ~~the premature or otherwise imprudent sale, redemption, divestment,~~  
 21 ~~or withdrawal of an investment, but such sale, redemption,~~  
 22 ~~divestment, or withdrawal shall be completed not later than~~ <sup>1</sup>~~["one~~  
 23 ~~year"]~~ two years<sup>1</sup> following the <sup>1</sup>~~["effective date of P.L. , c.~~  
 24 ~~(C. ) (pending before the Legislature as this bill)"]~~ date that such  
 25 investment is identified as being in violation of subsection a. of this  
 26 section<sup>1</sup> Any appropriate action to sell, redeem, divest, or  
 27 withdraw any investment shall be completed not later than one year  
 28 following the date that such investment is identified as being in  
 29 violation of subsection a. of this section, provided that if such sale,  
 30 redemption, divestment, or withdrawal within such one-year period  
 31 would be premature or otherwise imprudent and inconsistent with  
 32 the requirements of section 11 of P.L.1950 c.270 (C.52:18A-89), as  
 33 amended, such sale, redemption, divestment, or withdrawal shall be  
 34 completed as soon thereafter as such requirements are met<sup>2</sup>.

35 c. Within <sup>1</sup>~~["60"]~~ 90<sup>1</sup> days after the effective date of P.L. , c.  
 36 (C. ) (pending before the Legislature as this bill), the Director of  
 37 the Division of Investment shall file with the Legislature, pursuant  
 38 to section 2 of P.L.1991, c.164 (C.52:14-19.1), a report of all  
 39 investments held as of the effective date that are in violation of  
 40 subsection a. of this section. <sup>1</sup>~~["Every year thereafter, the director~~  
 41 ~~shall report on all investments sold, redeemed, divested, or~~  
 42 ~~withdrawn in compliance with subsection b. of this section.~~

43 Each report after the initial report shall provide a description of  
 44 the progress that the division has made since the previous report  
 45 and since the enactment of P.L. , c. (C. ) (pending before

1 the Legislature as this bill) in implementing subsection b. of this  
2 section.】<sup>1</sup>

3 d. State Investment Council members, jointly and individually,  
4 and State officers and employees involved therewith, shall be  
5 indemnified and held harmless by the State of New Jersey from all  
6 claims, demands, suits, actions, damages, judgments, costs, charges,  
7 and expenses, including court costs and attorney's fees, and against  
8 all liability, losses, and damages of any nature whatsoever that these  
9 State Investment Council members, and State officers and  
10 employees, shall or may at any time sustain by reason of any  
11 decision to restrict, reduce, or eliminate investments pursuant to this  
12 act.

13 <sup>2</sup>【e. For purposes of this section:

14 <sup>1</sup>【“Equity tie” means manufacturing or mining plants, employees  
15 or advisors, facilities, or an investment, fiduciary, monetary or  
16 physical presence of any kind, including an ownership stake in one  
17 or more subsidiary or joint venture with one or more companies in  
18 the country.】<sup>1</sup>

19 “Humanitarian aid” means the provision of goods and services  
20 intended to relieve human suffering or to promote general welfare  
21 and health.】<sup>2</sup>

22

23 7. A State agency, local contracting unit, board of education,  
24 State college, or county college shall not bank with, have or hold  
25 stock, debt, or other equity investments of, or maintain insurance  
26 coverage through a policy issued by a financial institution that  
27 <sup>2</sup>【has an equity tie to the government of Russia or Belarus, or an  
28 instrumentality of the government of Russia or Belarus, and is  
29 engaged in business in or with either of those governments or its  
30 instrumentalities】 is included in the Department of the Treasury’s  
31 list created pursuant to subsection b. of section 1 of P.L. , c.  
32 (C. ) (pending before the Legislature as this bill) for engaging in  
33 prohibited activities in Russia or Belarus<sup>2</sup>.

34

35 8. Notwithstanding the provisions of the "Administrative  
36 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the  
37 contrary, the State Treasurer may adopt immediately upon filing  
38 with the Office of Administrative Law such rules and regulations as  
39 the State Treasurer determines to be necessary to effectuate the  
40 purposes of P.L. , c. (C. ) (pending before the Legislature as  
41 this bill), which rules and regulation shall be effective for a period  
42 not exceeding 360 days following the effective date of  
43 P.L. , c. (C. ) (pending before the Legislature as this bill) and  
44 may thereafter be amended, adopted, or readopted by the State  
45 Treasurer in accordance with the requirements of P.L.1968, c.410  
46 (C.52:14B-1 et seq.).



1       <sup>1</sup>9. The provisions of sections 1 through 8 of P.L. \_\_\_\_\_, c.  
2 (C. \_\_\_\_\_) (pending before the Legislature as this bill) shall not apply  
3 in circumstances when their application would violate federal law  
4 or regulation or be inconsistent with the terms and conditions of  
5 federal funding.<sup>1</sup>

6  
7       <sup>1</sup>[9] <sup>10</sup><sup>1</sup>. This act shall take effect immediately <sup>1</sup>and shall  
8 expire <sup>2</sup>[four years thereafter<sup>1</sup>] upon the revocation of federal  
9 sanctions contained in Executive Order 14024<sup>2</sup>.

10

11

12

13

14       Prohibits government dealings with businesses associated with  
15 Belarus or Russia.