

**SENATE, No. 3915**

**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

INTRODUCED JUNE 1, 2023

**Sponsored by:**

**Senator ANDREW ZWICKER**

**District 16 (Hunterdon, Mercer, Middlesex and Somerset)**

**Senator JAMES BEACH**

**District 6 (Burlington and Camden)**

**SYNOPSIS**

Prohibits public officials from accepting virtual currency and non-fungible tokens as gifts.

**CURRENT VERSION OF TEXT**

As introduced.



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2

1 AN ACT including virtual currency and NFTs in the definition of  
2 gift as applicable to public officials and amending various parts  
3 of the statutory law.

4

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

7

8 1. Section 2 of P.L.1971, c.182 (C.52:13D-13) is amended to  
9 read as follows:

10 2. As used in this act, and unless a different meaning clearly  
11 appears from the context, the following terms shall have the  
12 following meanings:

13 a. "State agency" means any of the principal departments in the  
14 Executive Branch of the State Government, and any division, board,  
15 bureau, office, commission, or other instrumentality within or  
16 created by such department, the Legislature of the State, and any  
17 office, board, bureau, or commission within or created by the  
18 Legislative Branch, and, to the extent consistent with law, any  
19 interstate agency to which New Jersey is a party and any  
20 independent State authority, commission, instrumentality, or  
21 agency. A county or municipality shall not be deemed an agency or  
22 instrumentality of the State.

23 b. "State officer or employee" means any person, other than a  
24 special State officer or employee: (1) holding an office or  
25 employment in a State agency, excluding an interstate agency, other  
26 than a member of the Legislature; or (2) appointed as a New Jersey  
27 member to an interstate agency.

28 c. "Member of the Legislature" means any person elected to  
29 serve in the General Assembly or the Senate.

30 d. "Head of a State agency" means: (1) in the case of the  
31 Executive Branch of government, except with respect to interstate  
32 agencies, the department head or, if the agency is not assigned to a  
33 department, the Governor; and (2) in the case of the Legislative  
34 Branch, the chief presiding officer of each House of the Legislature.

35 e. "Special State officer or employee" means: (1) any person  
36 holding an office or employment in a State agency, excluding an  
37 interstate agency, for which office or employment no compensation  
38 is authorized or provided by law, or no compensation other than a  
39 sum in reimbursement of expenses, whether payable per diem or per  
40 annum, is authorized or provided by law; (2) any person, not a  
41 member of the Legislature, holding a part-time elective or  
42 appointive office or employment in a State agency, excluding an  
43 interstate agency; or (3) any person appointed as a New Jersey  
44 member to an interstate agency the duties of which membership are  
45 not full-time.

**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.**

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1 f. "Person" means any natural person, association or  
2 corporation.

3 g. "Interest" means: (1) the ownership or control of more than  
4 10 percent of the profits or assets of a firm, association, or  
5 partnership, or more than 10 percent of the stock in a corporation  
6 for profit other than a professional service corporation organized  
7 under the "Professional Service Corporation Act," P.L.1969, c.232  
8 (C.14A:17-1 et seq.); or (2) the ownership or control of more than  
9 one percent of the profits of a firm, association, or partnership, or  
10 more than one percent of the stock in any corporation, (a) which is  
11 the holder of, or an applicant for, a casino license or in any holding  
12 or intermediary company with respect thereto, as defined by the  
13 "Casino Control Act," P.L.1977, c.110 (C.5:12-1 et seq.), (b) which  
14 is the holder of, or an applicant for, a medical cannabis cultivator,  
15 medical cannabis manufacturer, medical cannabis dispensary, or  
16 clinical registrant permit issued pursuant to P.L.2009, c.307  
17 (C.24:6I-1 et al.), or any holding or intermediary company with  
18 respect thereto, or (c) which is the holder of, or an applicant for,  
19 a cannabis cultivator, cannabis manufacturer, cannabis wholesaler,  
20 cannabis distributor, cannabis retailer, or cannabis delivery service  
21 license issued pursuant to P.L.2021, c.16 (C.24:6I-31 et al.), or  
22 which is an entity that employs or uses a certified personal use  
23 cannabis handler to perform work for or on behalf of a licensed  
24 cannabis establishment, distributor, or delivery service, or any  
25 holding or intermediary company with respect thereto. The  
26 provisions of this act governing the conduct of individuals are  
27 applicable to shareholders, associates or professional employees of  
28 a professional service corporation regardless of the extent or  
29 amount of their shareholder interest in such a corporation.

30 h. "Cause, proceeding, application or other matter" means a  
31 specific cause, proceeding or matter and does not mean or include  
32 determinations of general applicability or the preparation or review  
33 of legislation which is no longer pending before the Legislature or  
34 the Governor.

35 i. "Member of the immediate family" of any person means the  
36 person's spouse, domestic partner, civil union partner, child, parent,  
37 or sibling residing in the same household.

38 j. "Gift" shall include any form of virtual currency and non-  
39 fungible tokens (NFTs).

40 (cf: P.L.2021, c.16, s.12)

41

42 2. Section 3 of P.L.1991, c.29 (C.40A:9-22.3) is amended to  
43 read as follows:

44 3. As used in this act:

45 a. "Board" means the Local Finance Board in the Division of  
46 Local Government Services in the Department of Community  
47 Affairs;

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- 1       b. "Business organization" means any corporation, partnership,  
2 firm, enterprise, franchise, association, trust, sole proprietorship,  
3 union or other legal entity;
- 4       c. "Governing body" means, in the case of a municipality, the  
5 commission, council, board or body, by whatever name it may be  
6 known, having charge of the finances of the municipality, and, in  
7 the case of a county, the board of chosen freeholders, or, in the case  
8 of a county having adopted the provisions of the "Optional County  
9 Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.), as defined in  
10 the form of government adopted by the county under that act;
- 11       d. "Interest" means the ownership or control of more than 10%  
12 of the profits, assets or stock of a business organization but shall  
13 not include the control of assets in a nonprofit entity or labor union;
- 14       e. "Local government agency" means any agency, board,  
15 governing body, including the chief executive officer, bureau,  
16 division, office, commission or other instrumentality within a  
17 county or municipality, and any independent local authority,  
18 including any entity created by more than one county or  
19 municipality, which performs functions other than of a purely  
20 advisory nature, but shall not include a school board;
- 21       f. "Local government employee" means any person, whether  
22 compensated or not, whether part-time or full-time, employed by or  
23 serving on a local government agency who is not a local  
24 government officer, but shall not mean any employee of a school  
25 district;
- 26       g. "Local government officer" means any person whether  
27 compensated or not, whether part-time or full-time: (1) elected to  
28 any office of a local government agency; (2) serving on a local  
29 government agency which has the authority to enact ordinances,  
30 approve development applications or grant zoning variances; (3)  
31 who is a member of an independent municipal, county or regional  
32 authority; or (4) who is a managerial executive employee of a local  
33 government agency, as defined in rules and regulations adopted by  
34 the Director of the Division of Local Government Services in the  
35 Department of Community Affairs pursuant to the "Administrative  
36 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), but shall not  
37 mean any employee of a school district or member of a school  
38 board;
- 39       h. "Local government officer or employee" means a local  
40 government officer or a local government employee;
- 41       i. "Member of immediate family" means the spouse or  
42 dependent child of a local government officer or employee residing  
43 in the same household.
- 44       j. "Gift" shall include any form of virtual currency and non-  
45 fungible tokens (NFTs).  
46 (cf: P.L.2015, c.95, s.21)

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1       3. Section 3 of P.L.1991, c.393 (C.18A:12-23) is amended to  
2 read as follows:

3       3. For the purposes of this act, unless the context clearly  
4 requires a different meaning:

5       "Administrator" means any officer, other than a board member,  
6 or employee of a local school district who (i) holds a position which  
7 requires a certificate that authorizes the holder to serve as school  
8 administrator, principal, or school business administrator; or (ii)  
9 holds a position which does not require that the person hold any  
10 type of certificate but is responsible for making recommendations  
11 regarding hiring or the purchase or acquisition of any property or  
12 services by the local school district; or (iii) holds a position which  
13 requires a certificate that authorizes the holder to serve as  
14 supervisor and who is responsible for making recommendations  
15 regarding hiring or the purchase or acquisition of any property or  
16 services by the local school district;

17       "Board member" means any person holding membership,  
18 whether by election or appointment, on any board of education  
19 other than the State Board of Education;

20       "Business" means any corporation, partnership, firm, enterprise,  
21 franchise, association, trust, sole proprietorship, union, political  
22 organization, or other legal entity but shall not include a local  
23 school district or any other public entity;

24       "Commission" means the School Ethics Commission established  
25 pursuant to section 7 of this act;

26       "Commissioner" means the Commissioner of Education;

27       "Interest" means the ownership or control of more than 10% of  
28 the profits, assets, or stock of a business but shall not include the  
29 control of assets in a labor union;

30       "Local school district" means any local or regional school district  
31 established pursuant to chapter 8 or chapter 13 of Title 18A of the  
32 New Jersey Statutes and any jointure commission, county  
33 vocational school, county special services district, educational  
34 services commission, educational research and demonstration  
35 center, environmental education center, and educational information  
36 and resource center;

37       "Member of immediate family" means the spouse or dependent  
38 child of a school official residing in the same household;

39       "Political organization" means a "political committee" or a  
40 "continuing political committee" as those terms are defined in "The  
41 New Jersey Campaign Contributions and Expenditures Reporting  
42 Act," P.L.1973, c.83 (C.19:44A-1 et seq.);

43       "Relative" means the spouse, natural or adopted child, parent, or  
44 sibling of a school official;

45       "School official" means a board member, an employee or officer  
46 of the New Jersey School Boards Association, but not including any  
47 member of the secretarial, clerical or maintenance staff of the  
48 association, or an administrator; and

1 "Spouse" means the person to whom a school official is legally  
2 married under New Jersey law.

3 "Gift" shall include any form of virtual currency and non-  
4 fungible tokens (NFTs).

5 (cf: P.L.1995, c.14, s.1)

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7 4. This act shall take effect immediately.

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10 STATEMENT

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12 This bill amends definitions to provide that a gift includes all  
13 forms of virtual currency and non-fungible tokens (NFTs). Under  
14 this bill, a public official would be prohibited from accepting any  
15 form of virtual currency or NFTs as a gift.