



State of New Jersey

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RICHARD J. CODEY
Acting Governor

**GOVERNOR'S STATEMENT UPON SIGNING
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY BILL NOS. 3013 and 3421**

Assembly Committee Substitute for Assembly Bill Nos. 3013 and 3421, which I sign today, supplements P.L. 2004, c.19 and P.L. 2005, c. 51. It is another step of improving public disclosure and accountability of the public contracting process.

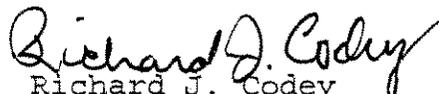
The bill provides the agencies and instrumentalities of counties and municipalities the authority to fashion expanded pay-to-play solutions that meet local needs. It expands the coverage of Chapter 19 by granting boards of education the authority to adopt their own pay-to-play procedures. While the law provides these local agencies with new authority, local policies must be consistent with the disclosure themes established by the Legislature.

This bill supports reform of the public contracting process with a new requirement for state government agencies covered under Chapter 51, as well as the local agencies described above. Prior to entering into a contract that is not awarded through a fair and open bidding process with an agency, the business receiving the contract must disclose reportable political contributions it has made to a range of candidates. Another new disclosure required by the bill is that businesses that have received more than \$50,000 in public contracts shall disclose reportable contributions to the Election Law Enforcement Commission.

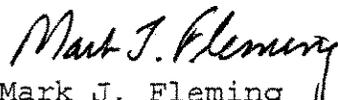
Both of these disclosure forms require listings of contributions made to candidates for, and holders of elected offices including the governor, State legislators, county constitutional officers, and members of county, municipal, school board and fire district governing bodies. Both of these reporting requirements expand upon the

previous standard of 10% ownership of an organization, by requiring reporting of contributions by an extensive list of individuals and organizations that are related to business receiving these contracts. This disclosure also applies to entities that are "527's" and are filing as continuing political committees, commonly known as PAC's, in New Jersey.

Finally, while the legislation takes effect immediately upon my signature approving the law, I cannot expect its enactment to compromise contracting activities that have been substantially concluded at the time of enactment. I also direct the relevant State agencies to provide expedited guidance to government agencies and businesses affected by the bill to ensure a brief but orderly transition to this new era of openness in public contracting.


Richard J. Codey
GOVERNOR

Attest:


Mark J. Fleming
Deputy Chief Counsel to the Governor