NOTICE REGARDING N.J.S.A. 52:32-60.1 Entities Engaged in Prohibited Activities in Russia and Belarus Updated January 22, 2024

N.J.S.A. 52:32-60.1 requires the Department of the Treasury (Treasury) to establish a list of persons and entities engaging in prohibited activities in Russia or Belarus. The law prohibits the State from (1) entering into or renewing contracts; (2) approving or renewing Public Works Contractor Registrations; (3) approving economic development subsidies; (4) providing tax clearance certificates; and (5) certifying urban renewal entities for the purposes of the "Long Term Tax Exemption Law" with a person or entity identified on the list.

On December 22, 2023, a company obtained a permanent injunction from the United States District Court for the District of New Jersey, which enjoins the State from enforcing N.J.S.A. 52:32-60.1 against that company on the ground that such enforcement would conflict with the existing federal sanctions regime and thus violate the U.S. Constitution's Supremacy Clause.

N.J.S.A. 52:32-60.4 provides that N.J.S.A. 52:32-60.1 "shall not apply in circumstances when their application would violate federal law." Accordingly, to enforce N.J.S.A. 52:32-60.1 in a manner consistent with the District Court's decision and federal law, Treasury deems its list of persons and entities engaging in prohibited activities in Russia or Belarus to consist of all persons and entities appearing on the list of Specially Designated Nationals and Blocked Persons promulgated by the Office of Foreign Assets Control (OFAC) on account of activity relating to Russia or Belarus. A searchable database of OFAC-listed persons and entities is available here: https://sanctionssearch.ofac.treas.gov/.

State agencies shall ensure that they review the OFAC Specially Designated Nationals and Blocked Persons list prior to (1) entering into or renewing contracts; (2) approving or renewing Public Works Contractor Registrations; (3) approving economic development subsidies; (4) providing tax clearance certificates; and (5) certifying urban renewal entities for the purposes of the "Long Term Tax Exemption Law" with any vendor.

Treasury is publishing a revised *Certification of Non-Involvement In Prohibited Activities in Russia or Belarus* form in light of the District Court's decision. Vendors are required to complete and submit the revised *Certification of Non-Involvement In Prohibited Activities in Russia or Belarus* to the State agency when (1) entering into or renewing contracts; (2) seeking a Public Works Contractor Registration; (3) seeking an economic development subsidy; (4) seeking a tax clearance certificate; or (5) seeking a "Long Term Tax Exemption Law" as an urban renewal entities.