

# Instructions

## Instructions for Completing “Contractor Certification and Disclosure of Political Contributions” Forms

### Who Should Sign and Submit Certification and Disclosure Forms

Public Law 2005, Chapter 51 requires submission of a Certification and Disclosure form from each Bidder with which the State intends to contract, as well as other related individuals or entities, depending upon the Bidder’s organizational structure. The following provides a summary of the most common requirements:

#### **Where the Bidder is a corporation or other business organization:**

Submit separate Certification and Disclosure forms for each of the following:

- The Bidder, certified by an officer or other authorized representative; AND
- All “Principals” of the Bidder’s Business Entity; namely, any individual or entity owning or controlling more than 10% of the Bidder’s Business Entity; AND
- Any subsidiary controlled by the Bidder’s Business Entity; AND
- Any Political Organization (as defined above, under “Business Entity”) controlled by the Bidder’s Business Entity.

#### **Ownership Disclosure Forms**

In order to determine whether all required “Principals” of the Bidder have submitted the necessary forms, the Bidder must submit a copy of an Ownership Disclosure form. This disclosure is required by statute – see N.J.S.A. 52:25-24.2. Generally, the contracting agency will provide the appropriate form to use for this purpose. Otherwise, please use the Ownership Disclosure form available at the Division of Purchase and Property’s website, at: <http://www.state.nj.us/treasury/purchase/forms/pbodf.pdf>.

**ONE FORM** may be used to submit compliance documentation on behalf of the Bidder and as a Principal (more than 10% owner) of the Bidder, as long as appropriate representatives have signed both in the space provided for signature on behalf of the company, as an officer or other authorized representative, and in the space provided for individual signature.

#### **Where the Bidder is an individual (including a sole proprietor), not a corporation or other business organization:**

Unless separate Certification and Disclosure forms are submitted, one Certification and Disclosure will be deemed to encompass all of the following persons or organizations:

- The Bidder; AND
- Any spouse or children of legal age, residing in the same household; AND
- Any Political Organization (as defined above) controlled by the Bidder’s Business Entity.

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### Examples

***Scenario One: Two individuals each own 50% of the Bidder:*** Three signatures are required – one on behalf of the Bidder and one by each individual owner of more than 10% of the Bidder. NOTE: If one of the Principals (owners) signs on behalf of the Bidder, that Principal may also sign the same form, in his or her individual capacity. However, the other Principal must sign and submit a separate Certification and Disclosure form. Accordingly, either two or three separate Certification and Disclosure forms will be submitted.

***Scenario Two: An individual owns 100% of a Bidder:*** Two signatures are required: the individual owner can submit one Certification and Disclosure form, provided he or she has signed in the space provided for signature on behalf of the Bidder (“ARROW #2”> “Certification on behalf of a company or organization”) and in the space provided for individual signature (“ARROW #3”> “Certification by an individual...”).

***Scenario Three: Four individuals and one corporation each own 20% of the Bidder:*** six signatures are required – one by each individual and corporate owner of more than 10% of the Bidder, and one on behalf of the Bidder. NOTE: As in Scenario One, above, if one of the Principals (owners) signs on behalf of the Bidder, that Principal may also sign the same form, in his or her individual capacity.

***Scenario Three: The Bidder is an individual,*** conducting business in his or her own name, or as a sole proprietorship: certification and disclosure by the Bidder applies to that person’s spouse and/or legal age child living in the same household, unless separate certification and disclosure forms are submitted.

Additional scenarios are the subject of some of the Questions and Answers posted on the Division of Purchase and Property’s website. Please refer to that site, at <http://www.state.nj.us/treasury/purchase/execorder134.htm> for additional information, or to submit questions regarding the completion of Political Contribution Compliance (EO 134) forms.

### Continuing Disclosure Obligation

Pursuant to Public Law 2005, Chapter 51, all business entities which have been awarded a State contract on or after October 15, 2004, in an amount in excess of \$17,500, have a continuing obligation to disclose all Contributions made during the term of such contract.

Such disclosures are to be submitted by the business entity to the Agency or Agencies which awarded the applicable contract(s). The disclosures are to be made using the standard Certification and Disclosure form, which may be downloaded from the Division of Purchase and Property’s website.

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### Agency Submission of Forms

The agency should submit the completed and signed Contractor Political Contribution Compliance (EO 134) and Ownership Disclosure forms, with an Executive Summary of Transaction form (available online at: [http://www.state.nj.us/treasury/purchase/forms/eo134/dpp\\_134\\_esp.pdf](http://www.state.nj.us/treasury/purchase/forms/eo134/dpp_134_esp.pdf)), **completed by the agency**, to:

EO 134 Review Unit  
P.O. Box 039  
33 West State Street, 4<sup>th</sup> Floor  
Trenton, New Jersey 08625

The agency should keep the original forms in its file, and submit copies to the EO 134 Review Unit.

### Questions & Answers

Questions regarding the interpretation or application of **Public Law 2005, Chapter 51** (N.J.S.A. 19:44A-20.13-20.25, superseding Executive Order 134) (2004)) may be submitted electronically through the website of the Department of the Treasury, Division of Purchase and Property, <http://www.state.nj.us/treasury/purchase/execorder134.htm>. Responses to questions are posted at the website, as are additional reference materials and forms.

### Definitions:

“**Chapter 51**” -- means Public Law 2005, Chapter 51 (N.J.S.A. 19:44A-20.13-20.25, superseding Executive Order 134 (2004)).

“**Business Entity**” – means any natural or legal person, business corporation, professional services corporation, limited liability company, partnership, limited partnership, business trust, association or any other legal commercial entity organized under the laws of New Jersey or any other state or foreign jurisdiction. It also includes (i) all principals who own or control more than 10 percent of the profits or assets of a business entity or 10 percent of the stock in the case of a business entity that is a corporation for profit, as appropriate; (ii) any subsidiaries directly or indirectly controlled by the business entity; (iii) any political organization organized under 26 U.S.C.A. § 527 that is directly or indirectly controlled by the business entity, other than a candidate committee, election fund, or political party committee; and (iv) if a business entity is a natural person, that person’s spouse or child, residing in the same household.

“**Contribution**” – means a contribution reportable by the recipient under the “New Jersey Campaign Contributions and Expenditures Reporting Act,” P.L. 1973, c.83 (C.19:44A-1 et seq.), and implementing regulations set forth at N.J.A.C. 19:25-10.1 et seq. Contributions made prior to January 1, 2005 in an amount in excess of \$400 during a reporting period are deemed “reportable” under these laws. As of January 1, 2005, contributions in excess of \$300 are deemed “reportable.”

References to “**Bidder**” include, but are not limited to, all entities which contemplate entering into a contractual relationship with the State, including vendors, potential vendors, contractors, consultants, sellers.