STATE OF NEW JERSEY
Camden County

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Notary Public State of Wisconsin County of Brown
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VICKY FELT
STATE OF WISCONSIN

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ORDINANCE 2020-15 TO ADD A NEW CHAPTER OF THE CODE BOOK OF THE BOROUGH OF LINDENWOLD FOR CONTRACTS, PROFESSIONAL SERVICES

WHEREAS, the Municipal Governing Body of the Borough of Lindewold wishes to ensure consistency in its provisions, and

WHEREAS, a review of the New Jersey Pay to Play law, N.J.S.A. 19:44A-20.1 et seq., as applicable to municipalities has been conducted, and

WHEREAS, the Mayor and Governing Body have approved the recommendations to add to the Borough of Lindewold Code Book a new chapter for Contracts, Professional Service as follows:

Contracts, Professional Service
Article 1 Pay to Play

§ -1 Definitions.
As used in this article, the following terms shall have the meanings indicated:

BUSINESS ENTITY
Whose contributions are regulated by this article:

A. An individual, including the individual’s spouse, and any child/children;
B. A firm, corporation, professional corporation, partnership, limited liability company, organization, association, and any other manner and kind of business entity;
C. Any person who owns 10% or more of the equity or ownership or income interests in a person or entity, as defined in Subsections A and B above, and their spouses and child/children;
D. All partners or officers of such an entity, in the aggregate, and their spouses and child/children;

CAMPAIGN COMMITTEE
(1) Every candidate for the Borough of Lindewold elective municipal office; (2) every candidate committee established by or for the benefit of a candidate for Borough of Lindewold elective municipal office; (3) every joint candidate committee established in whole or in part by or for the benefit of a candidate for Borough of Lindewold elective municipal office; (4) every political party committee of the Borough of Lindewold; and (5) every political committee, continuing political committee, or other form of association or organization that regularly engages in the support of candidates for the Borough of Lindewold elective offices or Borough of Lindewold political parties or political party committees. The terms in this definition shall have the meanings prescribed in N.J.A.C. 19:25-1.7.

CONTRACT FOR PROFESSIONAL OR EXTRAORDINARY SERVICES
All contracts for “professional services” and “extraordinary unspecifiable services,” as such terms are used in N.J.S.A. 40A:11-5.

CONTRIBUTION
The meaning prescribed in N.J.A.C. 19:25-1.7. By way of illustration, and not limitation, this definition includes pledges, gifts, loans, and in-kind contributions.

§ -2 Prohibition on awarding public contracts to certain contributors.

A. To the extent that it is not inconsistent with state or federal law, the Borough of Lindewold and any of its departments, instrumentalities or purchasing agents shall not enter into any agreement or otherwise contract to procure “professional services,” as such term is defined at N.J.S.A. 40A:11-2(6) and used at N.J.S.A. 40A:11-5(1)(a)(6), and/or banking, insurance or other consulting service (hereinafter “professional services”), not “extraordinary unspecifiable services,” as such term is defined at N.J.S.A. 40A:11-2(7) and used at N.J.S.A. 40A:11-5(1)(a)(6), and/or media, public relations, lobbying, parking garage management or other consulting and/or management service (hereinafter “extraordinary unspecifiable services”) from any business entity if such business entity has, within one calendar year immediately preceding the date of the contract or agreement, solicited or made any contribution in excess of the thresholds specified in Subsection C of this section to:

(1) A candidate, candidate committee or joint candidates committee of any candidate for elective municipal office in the Borough of Lindewold or a holder of public office having ultimate responsibility for the award of a contract;

(2) Any Borough of Lindewold political party committee; or

(3) Any continuing political committee or political action committee that regularly engages in the support of the Borough of Lindewold candidates and elections.

B. Contributions.
(1) No business entity who submits a proposal for, enters into, negotiates for, or agrees to any contract or agreement with the Borough of Lindewold or any of its departments or instrumentalities for the rendition of professional services or extraordinary unspecifiable services shall, between the time of first communication between that business entity and the municipality regarding a specific agreement for professional services or extraordinary unspecifiable services and the later of the termination of negotiations or rejection of any proposal, or the completion of the performance or specified time period of that contract or agreement, solicit or make, either directly or indirectly, any contribution in excess of the thresholds specified in Subsection C of this section to:

(a) A candidate, candidate committee or joint candidates committee of any candidate for elective municipal office in the Borough of Lindewold or a holder of public office having ultimate responsibility for the award of a contract;
(b) Any Borough of Lindewold political party committee; or
(c) Any political action committee.
(d) Any other individual, organization, or entity included within the definition of a Campaign Committee as defined herein.

(2) For purposes of this subsection, an indirect contribution shall include a contribution made to a political organization (as defined in Subsection F below) that subsequently makes a contribution to (i) any category of individual or organization described above, as defined in Subsection B(1)(a), (b) or (c) of this section; or (ii) another political organization, which then directly, or through a series of subsequent contributions to other political organizations, makes a contribution to any category of individual or organization described above, as defined in Subsection B(1)(a), (b) or (c) of this section, regardless of whether:

(a) The business entity had knowledge of such political organization's or political organizations', as the case may be, contributions; or

(b) Such political organization's or political organizations', as the case may be, use the funds of the business entity in making the contribution or contributions, as the case may be.

(c) Any other individual, organization, or entity included within the definition of a Campaign Committee as defined herein.

C. Monetary thresholds.

(1) The monetary thresholds of this article are:

(a) A maximum of $0 per calendar-year for any purpose to any single candidate or candidate committee for Mayor or governing body, and all other individuals, entities, or organizations as included in within the definition of a Campaign Committee as defined herein;

D. For purposes of this section, the office that is considered to have ultimate responsibility for the award of the contract shall be the Mayor and Township Committee of the Borough of Lindenwold.

E. Rules regarding subcontractors. No person may be awarded a subcontract to perform under a contract subject to this article if the subcontractor would be disqualified by Subsection A from receiving the contract at the time that the subcontract is awarded; nor may any person who would be disqualified by Subsection A from receiving the contract perform substantially all of the obligations described in a contract for professional or extraordinary services that is subject to this article.

F. No Lindenwold candidate for committee, or individual or entity as defined in Section A, shall accept any contribution from any state, county or municipal or other political party or committee, political action committee, union or any other association or organization that regularly engages in the support of candidates for elective office (collectively, “political organizations”) and each, a “political organization”) to the extent the political organization received funds constituting such contribution from another political organization or individual and that results in contributions that exceed the contribution thresholds, limits and restrictions set forth in this article. It is the express intent and purpose of this provision to prohibit the practice commonly known as “wheeling.”

G. Any union whose membership has a direct interest in any contract with the Borough of Lindenwold shall be subject to the contribution thresholds set forth in Subsection C above.

§ -3. Contributions made prior to the effective date.

No contribution or solicitation of contributions made prior to the effective date of this article shall be deemed to give rise to a violation of this article.


No contract subject to this article may be renewed, extended, or materially modified unless the resulting renewal, extension, or modification would be allowable under the provisions of this article if it were an initial contract.

§ -5. Contribution statement by business entity.

A. Prior to awarding any contract or agreement to procure "professional services" or "extraordinary unspecified services" from any business entity, the Borough of Lindenwold or its purchasing agents and departments, as the case may be, shall receive a sworn statement from said business entity which is the intended recipient of said contract that he/she/it has not made a contribution in violation of § 2 of this article. The Borough of Lindenwold, its purchasing agents and departments shall be responsible for informing the Governing Body that the aforementioned sworn statement has been received and that the business entity is not in violation of this article, prior to awarding the contract or agreement.

B. A business entity shall have a continuing duty to report to the Borough of Lindenwold any contributions that constitute a violation of this article that are made during the negotiation, proposal process or the duration of a contract. The Borough of Lindenwold, its purchasing agents and departments shall be responsible for informing the governing body within 10 business days after receipt of a violation report from the business entity, or at the next governing body meeting following receipt of said report from the business entity, whichever comes first.

C. The certification required under this section shall be made prior to entry into the contract or agreement with the Borough of Lindenwold, or prior to the provision of services or goods, as the case may be, and shall be in addition to any other certifications that may be required by any other provision of law.

§ -6. Return of excess contributions.

A business entity that is a party to a contract for professional services or extraordinary unspecified services may cure a violation of § 2 of this article if, within 30 days after the date on which the applicable ELEC report is published, said business entity notifies the municipality in writing and seeks and receives reimbursement of the contribution from the
recipient of such contribution.

§ -7. Exemptions.

The contribution limitations prior to entering into a contract in § -2A do not apply to contracts which are awarded in the case of emergency under N.J.S.A. 40A:11-6. There is no exemption for contracts awarded pursuant to a “fair and open process” under N.J.S.A. 19:44A-20 et seq.

§ -8. Violations and penalties.

A. It shall be a material breach of the terms of a Borough of Lindenwold agreement or contract for professional services or extraordinary unspecified services when a business entity that is a party to such agreement or contract has:

1. Made or solicited a contribution in violation of this article;
2. Knowingly concealed or misrepresented a contribution given or received;
3. Made or solicited contributions through intermediaries for the purpose of concealing or misrepresenting the source of the contribution;
4. Made or solicited any contribution on the condition or with the agreement that it will be contributed to a candidate, candidate committee or joint committee of any candidate for elective municipal office in the Borough of Lindenwold, or a holder of public office having ultimate responsibility for the award of a contract, or any Borough of Lindenwold political committee or political party committee, or any political action committee;
5. Engaged or employed a lobbyist or consultant with the intent or understanding that such lobbyist or consultant would make or solicit any contribution which, if made or solicited by the professional business entity itself, would subject that entity to the restrictions of this article;
6. Funded contributions made by third parties, including consultants, attorneys, family members and employees;
7. Engaged in any exchange of contributions to circumvent the intent of this article; or
8. Directly or indirectly, through or by any other person or means, done any act which, if done directly, would subject that entity to the restrictions of this article.

B. Furthermore, any business entity that violates Subsection A(1) through (8) above shall be disqualified from eligibility for future Borough of Lindenwold contracts for a period of two calendar years from the date of the violation.

C. Any person who knowingly, purposely, or recklessly violates any provision of this article, or who conspires with another person to violate any provision of this article, or who, with the purpose of promoting or facilitating a violation of this article, solicits another person to commit it, or aids or agrees or attempts to aid another person in planning or committing it, shall be subject to punishment, including fines and/or imprisonment as set forth in N.J.S.A. 19:44A-22, which penalty provisions shall be utilized by the Borough of Lindenwold in the enforcement of this article. See also Ch. 1, 1:1 Violations and penalties

INTRODUCED: July 22, 2020

ADOPTED: August 12, 2020

RICHARD E. ROACH, JR.
Mayor

DEBORAH C. JACKSON, RMC
Borough Clerk