AN ORDINANCE CREATING CHAPTER 56 OF THE CODE OF THE TOWNSHIP OF HAZLET, COUNTY OF MONMOUTH, STATE OF NEW JERSEY, ENTITLED "MUNICIPAL CAMPAIGN FINANCE REFORM REGULATIONS"

WHEREAS, the Township Committee of the Township of Hazlet recognizes that the public is concerned about the practices heretofore utilized to finance campaigns for local political office; and

WHEREAS, in our representative form of government, it is essential that individuals who are elected to public office have the trust, respect, and confidence of the citizenry; and

WHEREAS, the Township Committee wishes to be in the forefront in restoring the public trust as to the financing of local political campaigns; and

WHEREAS, the Legislature of the State of New Jersey has enacted legislation, P.L. 2004, Chapter 19, codified at N.J.S.A. 19:44A-20.5, which goes into effect on January 1, 2006 and which, *inter alia*, limits contributions from contractors to local political campaigns; and

WHEREAS, the Township Committee desires to impose these limits at an earlier date.

NOW, THEREFORE, BE IT ORDAINED by the Township Committee of the Township of Hazlet, County of Monmouth, State of New Jersey that the following Chapter shall be adopted as part of the Code of the Township of Hazlet:

CHAPTER 56 LOCAL CAMPAIGN FINANCING REFORM REGULATIONS

Chapter 56–1 Title.

This Chapter shall be known and cited as the "Local Campaign Financing Reform Regulations."

Chapter 56–2 Purpose and Intent.

The purpose of this Chapter is to regulate the financing of campaigns for local political office to restore the public trust.

Chapter 56–3 Definitions.

"Agency or instrumentality" shall mean any agency, board or commission which derives its authority from or through the Township of Hazlet, and shall include the Planning Board, the Zoning Board of Adjustment, the Sewerage Authority, the Recreation Commission and the Rent Control Commission. It shall not include the Board of Education.

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"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 this State.

"Candidate committee" means a committee established pursuant to subsection a. of Section 9 of P.L. 1973, c.83, codified at N.J.S.A. 19:44-9, for the purpose of receiving contributions and making expenditures.

"Contribution" means money or things of value including in-kind contributions.

"Fair and open process" means, at a minimum, that the contract shall be: publicly advertised in newspapers or on the internet website maintained by the public entity in sufficient time to give notice in advance of the contract; awarded under a process that provides for public solicitation of proposals or qualifications and awarded and disclosed under criteria established in writing by the public entity prior to the solicitation of proposals or qualifications; and publicly opened and announced when awarded. The decision of a public entity as to what constitutes a fair and open process shall be final.

"Interest" means the ownership or control of more than 10 percent of the profits, assets or stock of a business entity.

Chapter 56–4 Prohibition on the Award of Contracts.

The Township of Hazlet, or any agency or instrumentality thereof, shall not enter into a contract having an anticipated value in excess of \$17,500, as determined in advance and certified in writing by the Chief Financial Officer of the Township of Hazlet or the responsible officer of any agency or instrumentality thereof, with a business entity, except a contract that is awarded pursuant to a fair and open process, if during the preceding one year period, that business entity has made a contribution that is reportable by the recipient under P.L. 1973, c.83 (N.J.S.A. 19:44A-1 et seq.), to any municipal committee of a political party in the Township of Hazlet if a member of that political party is serving on the Township Committee of the Township of Hazlet when the contract is awarded or to any candidate committee of any person serving on the Township Committee of the Township of Hazlet when the contract is awarded; and a business entity that has entered into a contract having an anticipated value in excess of \$17,500 with the Township of Hazlet, or any agency or instrumentality thereof, except a contract that is awarded pursuant to a fair and open process, shall not make such a contribution, reportable by the recipient under P.L. 1973, c.83 (N.J.S.A.19:44A-1 et seq.), to any municipal committee of a political party in the Township of Hazlet if a member of that political party is serving on the Township Committee of the Township of Hazlet when the contract is awarded, or to any candidate committee of any person serving on the Township Committee of the Township of Hazlet when the contract is awarded during the term of that contract.

No such committee shall accept a contribution from a business entity during the term of the entity's contract with the Township of Hazlet or an agency or instrumentality thereof.

Chapter 56–5 Certain Contributions Deemed as Contributions by Business Entity.

When a business entity is a natural person, a contribution by that person's spouse or child, residing therewith, shall be deemed to be a contribution by the business entity. When a business entity is other than a natural person, a contribution by any person or other business entity having an interest therein shall be deemed to be a contribution by the business entity.

Chapter 56–6 Repayment of Contribution.

If a business entity makes a contribution that would cause it to be ineligible to receive a public contract or, in the case of a contribution made during the term of a public contract, that would constitute a violation of this act, the business entity may request, in writing, within 60 days of the date on which the contribution was made, that the recipient thereof repay the contribution and, if repayment is received within those 60 days, the business entity would again be eligible to receive a contract or would no longer be in violation, as appropriate.

Chapter 56–7 Oath by Candidate.

Prior to taking his or her oath of office as a member of the Township Committee, a person must swear or affirm that he or she has not knowingly accepted any contribution in violation of this ordinance and that he or she has no knowledge that any municipal committee of any political party or any candidate committee acting on his or her behalf has accepted any contribution in violation of this ordinance. If a person falsely so swears or affirms, he or she may be removed from office pursuant to an order of a court of competent jurisdiction.

Chapter 56–8 Business Entity to Provide Written Certification.

Prior to awarding any contract, except a contract that is awarded pursuant to a fair and open process, the Township of Hazlet, and any agency or instrumentality thereof, shall require the business entity to which the contract is to be awarded to provide a written certification that it has not made a contribution that would bar the award of a contract pursuant to this ordinance. If a business entity falsely certifies, the Township, or any agency or instrumentality thereof, after a hearing thereon, may terminate its contract or contracts with that business entity.

Chapter 56-9 Effective Date.

This ordinance shall take effect on September 9, 2005. Any contribution made prior to the effective date of this ordinance shall be permitted and shall not be regulated by this ordinance.

CERTIFICATION

I, EVELYN A. STRELSKY, Deputy Municipal Clerk of the Township of Hazlet, do hereby certify that the foregoing is a true copy of an ordinance duly published and adopted in accordance with law by the Township of Hazlet at its meeting held on the 6th day of September, 2005.

Evelyn A. Strelsky

Deputy Municipal Clerk