TOWNSHIP OF LONG HILL ORDINANCE #221-07

AN ORDINANCE ESTABLISHING LOCAL PAY-TO-PLAY REGULATIONS

WHEREAS, professional business entities are exempt from public bidding requirements, and

WHEREAS, contracts for less than \$29,000 also can be awarded without public bidding; and

WHEREAS, it has become common for professional business entities and other vendors and contractors to make substantial political contributions to the election campaigns of the local government elected officers who are ultimately responsible for awarding professional service contracts and other contracts or agreements which are not subject to public bidding; and

WHEREAS, substantial local political contributions from professionals and other vendors and contractors receiving discretionary contracts from the elected officials who receive such contributions raise reasonable concerns on the part of taxpayers as to their trust in the process of local government, if not the quality or cost of services received, and

WHEREAS, the New Jersey Local Unit Pay-To-Play Law (N.J.S.A. 19:44A-20.4 et seq.), which took effect on January 1, 2006, requires that all contracts with a value over \$17,500 (in the aggregate) be awarded pursuant to a "fair and open" or "non-fair and open" process, both of which are defined in the law; and

WHEREAS, Chapter 271 of the Public Laws of 2005, which was signed by Governor Codey on January 5, 2006, authorized municipalities to adopt their own pay-to-play policies; and



WHEREAS, the Township Committee wishes to adopt its own stronger pay-to-play policies;

NOW, THEREFORE, BE IT ORDAINED by the Township Committee of the Township of Long Hill in the County of Morris, New Jersey that Chapter II of the Township Code entitled "Administration" is hereby supplemented and amended as follows:

Section 1. There is hereby created a new Section 2-23 entitled "Local Pay-to-Play Regulations" which reads as follows:

"2-23. LOCAL PAY-TO-PLAY POLICIES.

2-23.1 Township Committee Disclosure and Recusal.

If a Township Committee member has ever received a donation of more than \$300 in any calendar (in cash or in-kind services) from a person or entity being considered for a non-fair and open public contract with an anticipated value of more than the quotation threshold set forth in the Local Public Contracts Law¹, that Township Committee member shall disclose the details of such donation in public on the record and shall recuse him or herself from voting on the proposed contract.

2-23.2 Miscellaneous Regulations.

- a. The restrictions set forth in subsection 2-23.1 above also apply to a member of the Township Committee in his or her capacity as a member of the Planning Board, the Library Board of Trustees, the Board of Health or any other Township Board or Commission which has the authority to award contracts.
- b. No contract in the aggregate which is single in character or which necessarily or by reason of the quantities required to effectuate the purpose of the contract includes the provision or performance of additional goods or services, shall be divided, so as to bring it or any parts thereof under the quotation threshold for the purpose of avoiding the restrictions set forth in subsection 2-23.1 above.
- c. As used in subsection 2-23. 1 above, the term individual or entity shall include an individual or any member of his or her immediate family who resides in his or her household,

The current quotation threshold is \$4,350. That amount may be adjusted by the Governor pursuant to N.J.S.A. 40A:11-3(c).

a corporation, limited liability company or partnership or any shareholder, director, member, partner or employee of that entity.

2-23.3 Exempt Contracts.

The following contracts are exempt from the restrictions set forth in subsection 1 above:

- a. Contracts that are formally bid in accordance with the Local Public Contracts Law.
- b. Contracts with public utilities that are regulated by the New Jersey Board of Public Utilities.
- Contracts entered into pursuant to state contract or cooperative purchasing agreements as authorized by the Local Public Contracts Law.
- d. Contracts with other governmental entities.

2-23.4 Contributions During Term of Contract.

No contractor shall contribute more than \$300 during the term of its contract to any member of the Township Committee or to any candidate for Township Committee or to any municipal committee that contributes to any member of or candidate for the Township Committee.

2-23.5 Certification by Contractor.

Prior to entering into any contract with the Township, a contractor shall certify in writing that it has not made any political contributions that would render it ineligible under the terms of subsection 2-23.1 above.

2-23.6 ELEC Reports to Be Filed with Township Clerk.

All members of the Township Committee shall file their New Jersey Election Law Enforcement Commission ("ELEC") Reports of Contributions (Forms R-1 and C-1) from all primary and general elections with the Township Clerk at the same time they are filed with ELEC. Any reports that were not previously filed with the Township Clerk shall be filed by the annual reorganization meeting. All contractors shall file their ELEC Business Entity Annual Statement (Form BE) with the Township Clerk by each year's annual reorganization meeting.

2-23.7. State Regulations.

This ordinance is meant to supplement and strengthen pay-to-play regulations adopted by the State of New Jersey. Where the provisions of this ordinance violate State regulations, the

State regulations shall prevail.

2-23.8 Effective Date.

This Ordinance shall take effect on January 1, 2008.

Section 2. Any or all other ordinances or parts thereof in conflict or inconsistent with

any of the terms hereof are hereby repealed to such extent as they are so in conflict or

inconsistent.

Section 3. In case any article, section or provision of this ordinance shall be held invalid

in any court of competent jurisdiction, the same shall not affect any other article, section or

provision of this ordinance except insofar as the article, section or provision so declared invalid

shall be inseparable from the remainder or any portion thereof.

Section 4. This ordinance shall become effective on the date set forth in subsection 2-

23.8 and after final passage and publication as required by law.

Introduction: November 7, 2007

1st Publication: 11/15/07

Public Hearing and Adoption: 12/5/07

2nd Publication: 12/13/07

I. Christine A. Gatti Township Clerk of the Township of Long Hill, do hereby certify this document to be a

true copy of the original which is on file in my office.

Township of Long Hill