Cooperative Purchasing Statutes

These applicable sections from individual state statutes authorizing cooperative purchasing are provided for informational purposes only and cannot be considered legal advice. Additional statutes or local ordinances may differ or may have differing cooperative purchasing authorizations, please contact us at info@nationalipa.org for any questions or additional assistance.

**NOTICE:** The New Jersey State League of Municipalities has issued the following regarding the new law pertaining to use of National Cooperatives, P.L. 2011, c. 139. Municipalities should follow the guidelines in Local Finance Notice 2011-35 when considering utilization of a National Cooperative Contract.


As a follow-up to the law signed by Governor Chris Christie, the New Jersey Department of Community Affairs, Division of Local Government Services ("DLGS") issued a 12 page bulletin ([NJ-2012-10 Local finance notice.pdf](http://nj-2012-10-local-finance-notice.pdf)) intended to clarify how the law could be applied to local New Jersey public/municipal agencies (aka "Local Contracting Units").

**NEW JERSEY COOPERATIVE PURCHASING PUBLICATION NOTICE INFORMATION**

**New Jersey**

**Title 52 State Government, Department of Officers**

**Chapter 52:34-6.2 Cooperative purchasing agreements with other states for purchase of goods, services; rules, regulations**

1. Section 7 of P.L.1996, c.16 (C.52:34-6.2) is amended to read as follows:
   a. Notwithstanding the provisions of any other law to the contrary except the provisions of R.S.30:4-95, and as an alternative to the procedures concerning the awarding of public contracts provided in P.L.1954, c.48 (C.52:34-6 et seq.), the Director of the Division of Purchase and Property in the Department of the Treasury may enter into cooperative purchasing agreements with one or more other states, or political subdivisions thereof, for the purchase of goods and services. A cooperative purchasing agreement shall allow the jurisdictions which are parties thereto to standardize and combine their requirements for the purchase of a particular good or service into a single contract solicitation which shall be competitively bid and awarded by one of the jurisdictions on behalf of jurisdictions participating in the contract.
   b. (1) The director may elect to purchase goods or services through a contract awarded pursuant to a cooperative purchasing agreement whenever the director determines this to be the most cost-effective method of procurement. Prior to entering into any contract to be awarded or already awarded through a cooperative purchasing agreement, the director shall review and approve the specifications and proposed terms and conditions of the contract.
      (2) The director may also elect to purchase goods or services through a contract awarded pursuant to a nationally-recognized and accepted cooperative purchasing agreement that has been developed utilizing a competitive bidding process, in which other states participate, whenever the director determines this to be the most cost-effective method of procurement. Prior to entering into any contract to be awarded through a nationally-recognized and accepted cooperative purchasing agreement that has been developed utilizing a competitive bidding process, the director shall review and approve the specifications and proposed terms and conditions of the contract.
Notwithstanding any other law to the contrary, any contracting unit authorized to purchase goods, or to contract for services, may make purchases and contract for services through the use of a nationally-recognized and accepted cooperative purchasing agreement that has been developed utilizing a competitive bidding process by another contracting unit within the State of New Jersey, or within any other state, when available. Prior to making purchases or contracting for services, the contracting unit shall determine that the use of the cooperative purchasing agreement shall result in cost savings after all factors, including charges for service, material, and delivery, have been considered. For purposes of this paragraph, “contracting unit” means any county, municipality, special district, school district, fire district or any board, commission, committee, authority or agency, which is not a State board, commission, committee, authority or agency, and which has administrative jurisdiction over any district, included or operating in whole or in part, within the territorial boundaries of any county or municipality which exercises functions which are appropriate for the exercise by one or more units of local government, and which has statutory power to make purchases and enter into contracts awarded by a contracting agent for the provision or performance of goods or services.

c. The director may solicit bids and award contracts on behalf of this State and other jurisdictions which are parties to a cooperative purchasing agreement provided that the agreement specifies that each jurisdiction participating in a contract is solely responsible for the payment of the purchase price and cost of purchases made by it under the terms of any contract awarded pursuant to the agreement.

d. The director may promulgate rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), which are necessary to effectuate the purposes of this section. (cf: P.L.2005, c.336, s.13) This act shall take effect immediately. Permits local units to participate in cooperative purchasing agreements.

2. This act shall take effect immediately.

Approved November 7, 2011.