

## CHAPTER 13

GOODS AND SERVICES CONTRACTS  
FOR SMALL BUSINESSES

## Authority

N.J.S.A. 52:18A-30(d), 52:27H-21.7 et seq., 52:32-17 et seq., 52:34-6 et seq., 52:34-12 and 52:34-13; P.L. 2008, c. 27; and Executive Order No. 71 (2003) and Executive Order No. 34 (2006).

## Source and Effective Date

R.2009 d.129, effective April 20, 2009.  
See: 40 N.J.R. 5541(a), 41 N.J.R. 1879(a).

## Chapter Expiration Date

Chapter 13, Goods and Services Contracts for Small Businesses, expires on April 20, 2014.

## Chapter Historical Note

Subchapter 6, Small Business Set-aside was adopted jointly by the Department of Treasury and Department of Commerce and Economic Development as R.1984 d.421, effective October 1, 1984. See: 16 N.J.R. 1958(a), 16 N.J.R. 2683(a).

Subchapter 6, Small Business Set-aside, was repealed by R.1987 d.143.

Subchapter 6, Contracts for Small Businesses, Female Businesses and Minority Businesses, was adopted as new rule R.1987 d.143, effective March 16, 1987. See: 18 N.J.R. 2306(a), 19 N.J.R. 457(b).

Subchapter 6, Contract for Small Businesses, Female Businesses and Minority Businesses was repealed by R.1989 d.481.

Chapter 13, Goods and Services Contract for Small Businesses, Urban Development Enterprises and Micro Businesses, was adopted as emergency rule by R.1989 d.481, effective August 14, 1989. See: 21 N.J.R. 2810(a). Chapter 13, was readopted by R.1989 d.554, effective October 13, 1989. See: 21 N.J.R. 3545(b).

Pursuant to Executive Order No. 84(1993), Chapter 13, Goods and Service Contracts for Small Businesses, Minority Businesses and Female Businesses was redesignated and Subchapters 4 and 5 were adopted by 1994 d.309, effective January 3, 1995. See: 25 N.J.R. 4889(a), 27 N.J.R. 129(a).

The expiration date of Chapter 13, Goods and Services Contracts for Small Businesses, Minority Businesses and Female Businesses, was extended by gubernatorial directive from October 13, 1994 to March 31, 1995. See: 26 N.J.R. 4411(a).

Pursuant to Executive Order No. 66(1978), Chapter 13, Goods and Services Contracts for Small Businesses, Minority Businesses and Female Businesses, was readopted as R.1995 d.224, effective March 30, 1995. See: 27 N.J.R. 52(a), 27 N.J.R. 1811(b).

Pursuant to Executive Order No. 66(1978), Chapter 13, Goods and Services Contracts for Small Businesses, Minority Businesses and Female Businesses, was readopted as R.1998 d.199, effective March 27, 1998. See: 30 N.J.R. 602(a), 30 N.J.R. 1424(b).

Chapter 13, Goods and Services Contracts for Small Businesses, was readopted as R.2003 d.382, effective September 4, 2003. See: 35 N.J.R. 1836(a), 35 N.J.R. 4735(a).

In accordance with N.J.S.A. 52:14B-5.1c, Chapter 13, Goods and Services Contracts for Small Businesses, expired on March 3, 2009. See: 40 N.J.R. 5541(a).

Chapter 13, Goods and Services Contracts for Small Businesses, was adopted as new rules by R.2009 d.129, effective April 20, 2009. See: Source and Effective Date. See, also, section annotations.

## CHAPTER TABLE OF CONTENTS

## SUBCHAPTER 1. PURPOSE, SCOPE AND DEFINITIONS

- 17:13-1.1 Purpose and scope
- 17:13-1.2 Definitions
- 17:13-1.3 through 17:13-1.16 (Reserved)

SUBCHAPTER 2. ELIGIBILITY REQUIREMENTS FOR  
SMALL BUSINESSES

- 17:13-2.1 Standards of eligibility for small businesses
- 17:13-2.2 Obligation to provide information and penalties for failure to provide complete and accurate information
- 17:13-2.3 (Reserved)

## SUBCHAPTER 3. REGISTRATION

- 17:13-3.1 Registration procedures for small businesses
- 17:13-3.2 Time for application to register as a small business
- 17:13-3.3 Procedures for challenging a business registered as a small business
- 17:13-3.4 Procedures for denial or revocation of registration as a small business

SUBCHAPTER 4. SET-ASIDE CONTRACTING AND  
SUBCONTRACTING PROGRAM

- 17:13-4.1 Set-aside program goals and procedures
- 17:13-4.2 Subcontracting target program and procedures
- 17:13-4.3 Good faith efforts of bidders; requirements
- 17:13-4.4 Exemptions from set-aside program

## SUBCHAPTER 5. PLANNING, REPORTING AND REVIEW

- 17:13-5.1 Planning
- 17:13-5.2 Reporting requirements
- 17:13-5.3 Annual review

SUBCHAPTER 1. PURPOSE, SCOPE AND  
DEFINITIONS

## 17:13-1.1 Purpose and scope

(a) The rules in this chapter are promulgated by the Department of the Treasury to implement N.J.S.A. 52:32-17 et seq., P.L. 2008, c. 27, and Executive Order No. 71, dated October 2, 2003, to establish a set-aside program that, in part, requires State agencies with contracting authority to make a good faith effort to award State contracts and subcontracts to eligible small businesses. Executive Order No. 71 (1993) requires at least 25 percent of the total dollar value of State contracts to be set aside for small businesses. This percentage goal is an overall program goal for each State contracting agency. State contracting agencies are expected to apply their business judgment when establishing set-aside goals for individual contracts. The rules in this chapter, as effective prior to April 20, 2009, were jointly promulgated by the New Jersey Commerce Commission and the Department of the Treasury. Pursuant to P.L. 2008, c. 27, effective July 1, 2008, the New Jersey Commerce Commission was abolished and its responsibilities under this chapter were transferred to the Department of the Treasury. Therefore, after July 1, 2008, this chapter must be promulgated by one department, the Department of the Treasury.

(b) These rules apply only to State contracts for goods and services awarded by any State contracting agency and are not applicable to the award of State contracts for construction and construction related services.

(c) Applications and questions regarding eligibility as a small business should be addressed to:

Department of the Treasury  
Division of Minority and Women Business  
Development  
33 West State St., 1st Floor  
PO Box 026  
Trenton, NJ 08625-0026

Questions concerning the award of contracts under these rules should be directed to the State contracting agency issuing the particular contract.

Emergency amendment, R.1989 d.481, effective August 14, 1989 (expired October 13, 1989).  
See: 21 N.J.R. 2810(a).

(a): contract award goals of 15 percent, seven percent, and three percent set for small business, urban development enterprise, and micro business, respectively. (b): “urban development enterprise and micro business” replaced “minority and female businesses”. (c): cross-references changed. (d): addresses revised. (e): “except where expressly inconsistent with statutory law” added; department names updated.

Adopted concurrent proposal, R.1989 d.554, effective November 6, 1989.

See: 21 N.J.R. 2810(a), 21 N.J.R. 3545(b).

Provisions of emergency amendment R.1989 d.481 readopted with changes.

Amended by R.1994 d.309, effective January 3, 1995.

See: 25 N.J.R. 4889(a), 27 N.J.R. 129(a).

Emergency amendment, R.2003 d.317, effective July 9, 2003 (to expire September 7, 2003).

See: 35 N.J.R. 3689(a).

In (a), inserted “, in part” following “set-aside program that” in the first sentence, amended the language in the second sentence to singular from plural, and deleted “set-aside” following “establishing” in the third sentence; in (c), deleted “minority business and/or female business following “small business”.

Adopted concurrent amendment, R.2003 d.389, effective September 7, 2003.

See: 35 N.J.R. 3689(a), 35 N.J.R. 4740(a).

Provisions of R.2003 d.317 adopted without change.

Amended by R.2009 d.129, effective April 20, 2009.

See: 40 N.J.R. 5541(a), 41 N.J.R. 1879(a).

Rewrote (a); and in (c), updated the address.

## 17:13-1.2 Definitions

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

“Bidding threshold” means the dollar limit placed on all public contracting agencies pursuant to N.J.S.A. 52:34-7 to establish when public advertisement of bids is required.

“Contractor” means any party providing goods and/or services or performing or offering to perform under a contract issued by a State contracting agency.

“Cooperative purchasing” means an extension of certain State contracts awarded by the Division of Purchase and

Property for the use of either local governing authorities, pursuant to N.J.S.A. 52:25-16.1 et seq., volunteer fire departments, volunteer first aid squads and rescue squads, pursuant to N.J.S.A. 52:25-16.2, county colleges, pursuant to N.J.S.A. 18A:64A-25.9(b), State colleges, pursuant to N.J.S.A. 18A:64-60, or quasi-State agencies, pursuant to N.J.S.A. 52:27B-56.1. Such an award is made as an adjunct to an award of a contract for State agency purchases.

“Delegated purchasing authority” means the authority of a State agency to award contracts below the bid threshold amount pursuant to authority delegated by the Director, Division of Purchase and Property. (See N.J.S.A. 52:25-23.)

“Director” means the head of the Division of Minority and Women Business Development in the Department of the Treasury.

“Division of Minority and Women Business Development” or “Division” means the Division within the Department of the Treasury that administers the registration of small business enterprises, the certification of the minority and women businesses, and provides other services to small, minority and women businesses pursuant to Executive Order No. 34 (2006), P.L. 2008, c. 27, §18, and the Set-Aside Act.

“Division of Purchase and Property” means the State agency within the Department of the Treasury which provides centralized purchasing of goods and services for other State departments, pursuant to N.J.S.A. 52:27B-56.

“Goal” means the statutorily determined percentage of contracting dollars awarded by each State contracting agency to small businesses in order to comply with the small business provisions of the Set-Aside Act. It further means the percentage of State contracting dollars that the State contracting agency makes a good faith effort to award to small businesses under Executive Order No. 71 (1993).

“Invitation for Bids” or “IFB” means the document issued by a State contracting agency to initiate an advertised bidding and contract award process, and includes Requests for Proposals (RFPs) and Requests for Quotations (RFQs). The IFB establishes the contract’s terms and conditions, the product and/or service specifications, and the bidding eligibility to businesses approved as small business entities.

“Line item contract” means an award in which a specific one-time purchase of goods or services is established.

“Multi-source contract” means a term contract awarded by the Division of Purchase and Property wherein more than one vendor is awarded a contract in accordance with the provisions of N.J.S.A. 52:34-12.1.

“Premier Business Services” means online business services provided via the State’s business website at [www.newjerseybusiness.gov](http://www.newjerseybusiness.gov), which include tax filing and payment services for which a business must register as part of its small business application.