

Summary of Recent Changes to New Jersey Procurement Law Due

to Enactment of S3041 (New Jersey P.L. 2025, c.180) Implemented March 23, 2026

Recent changes to New Jersey's procurement law will impact cooperative purchasing practices in New Jersey.

▶ Purchasing construction through Cooperatives in New Jersey



Permitted Activities:

Cooperative purchasing of public works (construction) is permitted only when the cooperative contract was competitively bid and awarded in **New Jersey** and complies with all procurement provisions outlined in the law. The Educational Services Commission of New Jersey (ESCNJ) is compliant.

Contracting units *are permitted* to utilize Indefinite Delivery, Indefinite Quantity (IDIQ) contracts for goods and services. ESCNJ's Roofing Repair and Maintenance Services contract is an IDIQ contract.

An **Indefinite Delivery, Indefinite Quantity (IDIQ)** contract is a proven procurement vehicle that allows public agencies to purchase an unspecified amount of supplies or services over a defined contract term. Through cooperative purchasing, agencies gain immediate access to competitively awarded contracts while maintaining full compliance with public procurement requirements.

▶ IDIQ Construction Contract Features

A cooperative purchasing contract is considered an IDIQ for construction when it includes:

- **Indefinite Quantity Structure**
No minimum purchase requirement, allowing agencies to order as needed throughout the contract term.
- **Pre Established Unit Pricing**
Unit prices are competitively solicited and awarded in advance, providing transparency, cost control, and budget predictability.
- **Task / Work Order Issuance**
Projects are executed through individual task or work orders, via purchase orders, supported by detailed line item proposals tailored to each scope.
- **Authorized Legal Framework for Construction Procurement**
IDIQ contracts awarded by established cooperative purchasing authorities, including **ESCNJ**, ensure compliance with public-sector construction requirements.
- **Job Order Contracting (JOC) Delivery Model**
Structured similarly to a JOC model, which is widely recognized as a form of IDIQ for construction services.

Prohibited Activities:

Contracting units may not utilize **out-of-state or national cooperative contracts** for construction. Out-of-state or national cooperative contracts for goods and services not related to construction are permitted.

Contracting units may not utilize a **time-and-materials** contract available through a cooperative purchasing agreement for public works construction subject to the New Jersey Prevailing Wage Act. T&M contracts for non-construction goods and services remain permitted.

Why is ESCNJ's Roofing Repair and Maintenance Services' contract compliant?

- ESCNJ is a New Jersey contracting unit that competitively bid the contract in-state
- The contract is an IDIQ contract
- The contract requires full Prevailing Wage Act compliance
- Vendors under the new law must submit certified payrolls—failure results in removal
- The contract is not a prohibited time-and-materials public-works structure
- No debarred or non-compliant vendor is eligible to perform work



Cooperative Contracts
TRUST IN EXPERIENCE. STRENGTH IN NUMBERS.

