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January 12, 2015

ANDREW P. SIDAMON-ERISTOFF State Treasurer

JIGNASA DESAI-MCCLEARY

Director

Mr. Douglas R. Kuiken, President Kuiken Brothers Company, Inc. 6-02 Fair Lawn Avenue P. O. Box 1040 Fair Lawn NJ 07410-8040

RE:

Kuiken Brothers Company, Inc.

Reconsideration of Chapter 51/Executive Order 117 Ineligibility

Dear Mr. Kuiken:

This letter is in response to your letter ("Letter") to me dated October 27, 2014. The Letter "appeals" or seeks reconsideration of an initial ineligibility determination by the State Chapter 51 Unit ("State Unit") within the Division of Purchase and Property ("Division") that contributions attributable to Kuiken Brothers Company, Inc. ("Company"), rendered the Company ineligible for a contract award by New Jersey Transit. Specifically, the contributions noted are as follows:

Chris Christie for Governor in the amount of \$3,800 on 12/22/2012, Chris Christie for Governor in the amount of \$3,800 on 12/26/2012, Chris Christie for Governor in the amount of \$500 on 12/27/2012, Chris Christie for Governor in the amount of \$1,000 on 1/2/2013, Chris Christie for Governor in the amount of \$1,000 on 1/4/2013, Chris Christie for Governor in the amount of \$1,000 on 1/18/2013, Chris Christie for Governor in the amount of \$2,000 on 1/19/2013, Chris Christie for Governor in the amount of \$3,800 on 6/30/2013, Chris Christie for Governor in the amount of \$3,800 on 7/2/2013, Chris Christie for Governor in the amount of \$1,000 on 7/2/2013, and NJ Republican State Committee in the amount of \$5,000 on 6/2/2014.

The pertinent statute P.L. 2005, c. 51 ("Chapter 51"), prohibits the State of New Jersey ("State"), or any of its purchasing agents or agencies, or its independent authorities, from contracting with business entities that have solicited or made any contribution of money to any candidate committee or election fund of any candidate for, or any holder of the public office of the Governor, or to any State or county political party committee within specified time frames. Effective November 15, 2008, Executive Order 117, among other things, expanded upon Chapter 51 to include contributions made to any legislative leadership committee or any municipal political party committee in the same manner as those provisions apply to a contribution to any candidate committee, election fund, or State or county political party committee identified in Chapter 51.

The legislative findings associated with Chapter 51 place the utmost importance on the State's compelling interests in prohibiting the award of government contracts to business entities that are contributors to certain political parties and holders of public office. N.J.S.A. 19:44A-20.13. The State is charged with the duty of assuring the public that the selection of State contracts is based upon merit and not political contributions made by such contractors. Ibid.. The legislative intent is to safeguard not only against political contributions that pose the risk of improper influence or purchase of access, but also against those contributions that create the perception or appearance thereof. Ibid.

This matter arose as a result of the Company pursuing a lease with New Jersey Transit for a certain property located on Banta Place in Fair Lawn. According to the Company, the Banta Place property would enhance the Company's existing business in Bergen County.

Chapter 51 applies to the "lease of any land or building, if the value of the transaction exceeds \$17,500[.]" N.J.S.A. 19:44A-20.15. As part of the lease process with New Jersey Transit, the Company was required to submit a Two-Year Chapter 51/Executive Order 117 Vendor Certification and Disclosure of Political Contributions ("Certification"), as well as an Ownership Disclosure Form ("Form"). In the Certification and Form, the Company disclosed the above contributions made by various officers of the Company.

In this appeal, the Company contends that at the time the Company's officers made these contributions, the officers were unaware of the subject property's availability for lease. The Company also contends that the contributions were not intended to help the Company secure the property.

For the purposes of this appeal, I take both of the Company's contentions as accurate. However, I cannot find the timing of the contributions and the Company's awareness of the property for lease as dispositive. The Chapter 51 statute bars the State from entering into an agreement with a business entity that has made a disqualifying contribution without regard to when the business entity became aware of the availability of the underlying subject of the agreement. Chapter 51 prohibits political contributions that not only pose the risk of improper influence or purchase of access, but also those contributions that may create the perception, or appearance thereof, regardless of a contributor's intentions.

I have reviewed the information submitted as it relates to the provisions of Chapter 51 and Executive Order 117. Based upon this review and for the reasons discussed above, I am unable to overturn the initial ineligibility determination rendered by the State Unit in this matter. By copy of this letter, I am notifying New Jersey Transit of this decision. This decision notwithstanding, I thank you for commencing registration with we state and invite you to complete that registration process for future business opportunities with the State.

Sincerely,

Jignasa Desai-McCleary

Director

c: Maurice A. Griffin, DPP
Katherine Antinoro, DPP
Robert Shaughnessy, DPMC
Rhianon Lepree, New Jersey Transit