

NOTICE REGARDING N.J.S.A. 52:32-60.1
(Entities Engaged in Activities in Russia and Belarus)

N.J.S.A. 52:32-60.1 requires the Department of the Treasury (Treasury) to establish a list of persons and entities engaging in prohibited activities in Russia or Belarus and to update that list every six months. The law also prohibits the State from engaging in certain activities with a person or entity identified on the list as engaged in prohibited activities or whose subsidiaries, parents, or affiliates are so engaged. The prohibited activities include: (1) entering into or renewing contracts; (2) approving or renewing Public Works Contractor Registrations; (3) approving economic development subsidies; (4) providing tax clearance certificates; and (5) certifying urban renewal entities for the purposes of the “Long Term Tax Exemption Law.” On August 4, 2023, a company obtained a temporary restraining order (TRO) from the United States District Court for the District of New Jersey, which enjoins the State from enforcing N.J.S.A. 52:32-60.1 against that company on the ground that the statute is likely inconsistent with federal law. The lawsuit remains ongoing.

The State continues to defend the law in court. Nonetheless, in light of the Court’s decision, and to protect the integrity and fairness of the State’s business dealings, including the procurement process, the State and its agencies and instrumentalities will be voluntarily applying the terms of the TRO to all persons and entities engaging with the State until further order of the Court. And pending further order of the Court, the State will remove the list from its website, and suspend further implementation of N.J.S.A. 52:32-60.1. Treasury recommends that State agencies should continue to defer to and follow any applicable federal laws, regulations, or guidance regarding sanctions programs administered by the U.S. Department of Treasury’s Office of Foreign Assets Control.