

LEGISLATIVE FISCAL ESTIMATE

[Third Reprint]

SENATE, No. 659

STATE OF NEW JERSEY
220th LEGISLATURE

DATED: JANUARY 11, 2024

SUMMARY

- Synopsis:** “Manufacturing in Higher Education Act”; requires various State entities to promote manufacturing career pathways for students and provides assistance to manufacturing industry.
- Type of Impact:** Annual State cost increase.
- Agencies Affected:** Department of Labor & Workforce Development; Department of Education; Office of the Secretary of Higher Education; Department of State.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) finds that this bill will lead to an indeterminate increase in annual State costs. The cost to the State would primarily be determined by the amount of new staff hired under the establishment of the New Jersey Advanced Manufacturing Council and the salaries they are provided.

BILL DESCRIPTION

This bill creates a comprehensive framework aimed at promoting and supporting manufacturing career pathways within the higher education system of New Jersey. It requires the Department of Labor and Workforce Development to collaborate with the Department of Education, the Office of the Secretary of Higher Education, the New Jersey Council of County Colleges, and representatives of the business community on bolstering the State's manufacturing career pathway. Additionally, the bill requires the Department of State to appoint a representative to serve as a liaison between the State and manufacturing businesses. This representative may be an existing or newly hired employee. The liaison's responsibilities include promoting the products or services of manufacturing businesses globally, establishing a business referral service, and

identifying opportunities for workforce development in the manufacturing sector through postsecondary pathway programs.

The bill also establishes the New Jersey Advanced Manufacturing Council within the State Employment and Training Commission. Comprised of experts in labor, education, and workforce development, the council is to promote industry-led partnerships, implement advanced manufacturing initiatives, aid companies with technical challenges, and submit annual reports to the Governor and Legislature. The council has the authority to hold public hearings, employ staff, and access necessary records.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that this bill will lead to an indeterminate increase in State costs stemming from the establishment of the New Jersey Advanced Manufacturing Council. Under the bill, the council has the ability to employ staff to carry out its roles and responsibilities. The actual cost to the State would be dependent on the number of new employees that are hired and the salary they are paid. Members of the council are also to be reimbursed for necessary expenses incurred in the performance of their duties, which would lead to some additional annual State costs. Furthermore, the State would incur an annual cost from the hiring of a liaison between the State and manufacturing businesses if this individual is not already employed with the State. Assuming that a new employee is hired to fill this role and receives a salary of \$78,000, annual costs would approximate \$132,000 when factoring in the State’s current fringe benefit rate.

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Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).