

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

SENATE, No. 855

STATE OF NEW JERSEY  
220th LEGISLATURE

DATED: MARCH 13, 2023

SUMMARY

Synopsis:	Creates State business assistance program to establish contracting agency procurement goals for socially and economically disadvantaged business enterprises.
Type of Impact:	Annual State expenditure increase for program implementation; unknown impact on State contracting costs; annual State revenue increase.
Agencies Affected:	Department of the Treasury, public institutions of higher education; multiple State agencies.

Office of Legislative Services Estimate

Annual Fiscal Impact	
State Cost Net Impact	Indeterminate
State Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) determines that the impact of this bill on State expenditures cannot be determined because the annual number of socially and economically disadvantaged businesses receiving State contracts, the number of State contracts eligible for award to such businesses, and the value of those contracts is unknown.
- The amount of annual State revenue generated from penalties also is unknown.
- The Department of the Treasury will incur additional costs to implement the business assistance program. The bill requires new procedures; certifications; standards; evaluations; mediation; outreach; inspections; waivers; promotion; and monitoring.

BILL DESCRIPTION

This bill creates a State business assistance program to establish contracting agency procurement goals for socially and economically disadvantaged business enterprises.

The business assistance program establishes an annual goal for State contracting agencies, as well as guidelines for public institutions of higher education, in awarding contracts to certified and qualified business enterprises.

**FISCAL ANALYSIS**

***EXECUTIVE BRANCH***

None received.

***OFFICE OF LEGISLATIVE SERVICES***

The OLS determines that the impact of this bill on annual State expenditures cannot be determined because the annual number of socially and economically disadvantaged businesses receiving State contracts, the number of State contracts eligible for award to such businesses, and the cost of each contract is unknown. The amount of annual State revenue generated from penalties also is unknown.

The Department of the Treasury will incur additional costs to implement the business assistance program. The bill requires new procedures; certifications; standards; evaluations; mediation; outreach; inspections; waivers; promotion; and monitoring.

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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.).