

[First Reprint]

**ASSEMBLY, No. 723**

**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

**Sponsored by:**

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**Assemblyman BENJIE E. WIMBERLY**

**District 35 (Bergen and Passaic)**

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Assemblywomen Timberlake, Reynolds-Jackson, Speight, Jimenez,  
Vainieri Huttle, Assemblyman Conaway, Assemblywomen Lopez, Pinkin,  
Carter, Assemblyman Mejia, Assemblywoman Jasey, Assemblymen Tully  
and McKeon**

**SYNOPSIS**

Prohibits disqualification of certain minority-owned and women-owned businesses for certification.

**CURRENT VERSION OF TEXT**

As amended by the General Assembly on February 24, 2020.



**(Sponsorship Updated As Of: 6/29/2020)**

1 AN ACT concerning certification of minority-owned and women-  
2 owned businesses and amending P.L.1987, c.55.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. Section 5 of P.L.1987, c.55 (C.52:27H-21.11) is amended to  
8 read as follows:

9 5. The division shall have the power to:

10 a. Establish a loan referral program and loan packaging  
11 program for eligible businesses, using criteria for eligibility which  
12 meet the standards established by the authority or which meet the  
13 standards established by private sources or by other State or federal  
14 programs;

15 b. Compile lists of qualified professionals, including women  
16 and minorities in specific areas of expertise, to be disseminated to  
17 eligible businesses and to be used in making referrals;

18 c. Use available resources within the State, including, but not  
19 limited to, small business development centers, business  
20 organizations, academic institutions with business programs, and  
21 minority business development offices, to coordinate managerial  
22 and technical assistance;

23 d. Establish, in cooperation with institutions of higher  
24 education, an internship program for candidates for undergraduate  
25 and graduate degrees in business administration and related fields  
26 for the purpose of providing assistance to the division, the authority  
27 and to businesses which are eligible to receive assistance under this  
28 act;

29 e. Provide, consistent with the provisions of this act and in  
30 conjunction with, or at the request of, the authority, assistance to  
31 eligible businesses, including, but not limited to:

32 (1) Assistance in researching markets or in market analysis;

33 (2) Advice in advertising and marketing;

34 (3) Advice in selecting sales or other distribution channels;

35 (4) Providing information and training with respect to bidding  
36 on government contracts;

37 (5) Serving as liaison with the Department of the Treasury and  
38 other departments and agencies of State, federal and local  
39 government to promote the procurement of contracts for eligible  
40 businesses;

41 (6) Assistance in obtaining legal counsel;

42 (7) Providing financial analysis and accounting assistance;

43 (8) Assistance in obtaining appropriate insurance, including  
44 benefit packages for employees;

45 (9) Assistance in arranging contracts with franchisers;

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly floor amendments adopted February 24, 2020.

1 (10) Assistance in arranging commercial loans made by a State  
2 or federally chartered bank, savings bank, or savings and loan  
3 association, if, with respect to loans made by State chartered  
4 institutions, the loans are made in accordance with the powers  
5 conferred on those institutions pursuant to Title 17 of the Revised  
6 Statutes, including bridge loans and cash flow loans;

7 (11) Assistance in negotiating license agreements;

8 (12) Assistance in procuring bonding or substitutes therefor;

9 (13) Making referrals to private consultants, institutions, and  
10 other providers of services, according to the specific needs of an  
11 eligible business;

12 (14) Assistance in finding sources of financing from federal,  
13 State, and local sources;

14 (15) Assistance in gaining information about employee training  
15 and development programs; and

16 f. Provide a central resource for eligible businesses in their  
17 dealing with federal, State, and local governments, including  
18 information regarding government regulations or laws which affect  
19 eligible businesses;

20 g. Initiate and encourage education programs for eligible  
21 businesses;

22 h. Notwithstanding any other provision of law, exercise  
23 exclusive authority within the State to establish a uniform  
24 procedure for departments, agencies and authorities of the State and  
25 of its political subdivisions to certify the eligibility of a business to  
26 bid on contracts, or otherwise represent itself as a minority or  
27 women's business, except that a minority or women's business  
28 engaged in the procurement of materials and supplies that is  
29 otherwise eligible for such certification pursuant to this subsection  
30 shall not be rendered ineligible therefor solely because the business  
31 is not significantly and substantially involved in the production, or  
32 does not have evidence of movement, of inventory on hand, in and  
33 out of its facility, provided the business:

34 (1) places an order for a product with a distributor or  
35 manufacturer;

36 (2) takes possession of the materials or supplies in the order by  
37 payment;

38 (3) assumes the risk of ownership of the materials or supplies;  
39 and

40 (4) causes the product, materials, or supplies to be shipped to a  
41 customer.

42 <sup>1</sup>The uniform procedure shall provide guidance for determining  
43 whether any or all beneficial owners of the business directly or  
44 indirectly created or used a trust, proxy, power of attorney, pooling  
45 arrangement, or any other contract, arrangement, or device with the  
46 purpose or effect of evading the ownership requirements under  
47 section 2 of P.L.1987, c.55 (C.52:27H-21.8).<sup>1</sup>

1       The division shall be the certifying authority for departments,  
2 agencies and authorities of the State, except that when the division's  
3 procedure for certification of a business as a minority business or  
4 women's business conflicts with a federal certification procedure  
5 that affects a State project in which the federal government  
6 participates, the federal certification procedure shall take  
7 precedence. Public agencies shall identify those projects and shall  
8 notify the division. A political subdivision shall have the  
9 responsibility of certifying the eligibility of a women's business or  
10 minority business to bid on contracts or otherwise represent itself as  
11 a women's business or minority business within the political  
12 subdivision, except that, if the business is certified by the division  
13 to represent itself as being a minority or women's business under  
14 State programs, the political subdivision may accept that  
15 certification for eligibility of the business under programs of the  
16 political subdivision. A political subdivision shall utilize the  
17 uniform certification procedure formulated by the division;

18       i. Submit to the Governor and the Legislature an annual report  
19 regarding its activities and setting forth recommendations of  
20 methods which might be utilized to more efficiently and effectively  
21 carry out the purposes of this act, and submit to the commissioner  
22 periodic reports on the condition of small businesses, and women's  
23 and minority businesses in the State; and

24       j. Provide any other services which it deems necessary or  
25 which may be requested by the authority.  
26 (cf: P.L.2003, c.189, s.1)

27

28       2. This act shall take effect immediately.