

SENATE, No. 1182

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 3, 2020

Sponsored by:

Senator NILSA CRUZ-PEREZ

District 5 (Camden and Gloucester)

Co-Sponsored by:

Senator Turner

SYNOPSIS

Establishes Division of Minority and Women Business Development and State Chief Disparity Officer to monitor efforts to promote participation by minority-owned and women-owned businesses in State contracting.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/5/2020)

1 **AN ACT** concerning participation by minority-owned and women-
2 owned businesses in State contracting and supplementing Title
3 52 of the Revised Statutes.

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

7
8 1. There is established in the State Department of the Treasury
9 a Division of Minority and Women Business Development. The
10 division shall administer and monitor policies, practices and
11 programs that further this State's efforts to ensure equal opportunity
12 for minority-owned and women-owned business enterprises in
13 purchasing and procurement by State departments and agencies,
14 including independent State authorities.

15 The head of the division shall be the State Chief Disparity
16 Officer. It shall be the duty of the State Chief Disparity Officer to
17 monitor the State's public contracting process for the purpose of
18 compiling information on the awarding of contracts to minority-
19 owned and women-owned business enterprises, the total value of all
20 contracts and the percentage of the value of those contracts awarded
21 to minority-owned and women-owned business enterprises. The
22 State Chief Disparity Officer shall periodically submit to the
23 Governor, and to the Legislature pursuant to section 2 of P.L.1991,
24 c.164 (C.52:14-19.1), reports of the officer's findings, including
25 information on any disparities noted between the number and value
26 of contracts awarded to minority-owned and women-owned
27 business enterprises and the prevalence of these businesses in the
28 marketplace. Every State department and agency, including
29 independent State authorities, shall cooperate fully with the State
30 Chief Disparity Officer in meeting these objectives and each shall
31 designate a high-level officer or employee as its disparity officer to
32 act as a liaison with the State Chief Disparity Officer.

33
34 2. The provisions of P.L.1986, c.195 (C.52:27H-21.17 et seq.)
35 providing for the certification of minority-owned and women-
36 owned business enterprises shall be fully implemented in order to
37 assist the State Chief Disparity Officer in compiling data on
38 participation of these businesses in the State contracting process.
39 No self-certification process, under which businesses themselves
40 determine whether they meet the criteria for certification, shall be
41 used.

42
43 3. Notwithstanding the provisions of any other law to the
44 contrary, a small business set-aside contract to be awarded pursuant
45 to P.L.1983, c.482 (C.52:32-17 et seq.) that has an estimated value
46 of less than the threshold for the entire cost of the erection,
47 construction, alteration or repair by the State of any public
48 buildings in this State established pursuant to subsection a. of

1 R.S.52:32-2 shall be awarded without public advertising for bids
2 and, instead, shall be publicly announced prior to being awarded
3 and negotiated with qualified small businesses on the basis of
4 demonstrated competence and qualifications for the type of goods
5 or services required and at a fair and reasonable compensation,
6 using a competitive contracting process that is modeled on the
7 provisions of P.L.1997, c.399 (C.52:34-9.1 et seq.).

8
9 4. This act shall take effect immediately.

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12 STATEMENT

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14 This bill establishes in the State Department of the Treasury a
15 Division of Minority and Women Business Development to be
16 headed by a State Chief Disparity Officer. The division will
17 administer and monitor policies, practices and programs that further
18 this State's efforts to ensure equal opportunity for minority-owned
19 and women-owned business enterprises in purchasing and
20 procurement by State departments and agencies, including
21 independent State authorities. The State Chief Disparity Officer
22 will monitor the State's public contracting process for the purpose
23 of compiling information on the awarding of contracts to minority-
24 owned and women-owned business enterprises, including the total
25 value of all contracts and the percentage of the value of those
26 contracts awarded to minority-owned and women-owned business
27 enterprises. The officer will periodically report the officer's
28 findings to the Governor and the Legislature. The bill directs each
29 State department and agency, including independent State
30 authorities, to designate a disparity officer to act as a liaison with
31 the State Chief Disparity Officer.

32 The Division of Minority and Women Business Development
33 was originally established in the State Department of the Treasury
34 pursuant to Executive Order No. 34 of 2006; this bill would codify
35 the Division in State law, and clarify its structure and purpose.

36 The bill also requires that provisions of existing law concerning
37 State certification of minority-owned and women-owned businesses
38 be fully implemented and prohibits self-certification by these
39 businesses. In addition, the bill provides that contracts awarded
40 through the State's small business set-aside program that are valued
41 at less than the threshold for the entire cost of the erection
42 construction, alteration, or repair by the State of any public
43 buildings in this State established pursuant to subsection a. of
44 R.S.52:32-2 will not be publicly advertised for bids but will,
45 instead, be negotiated with small businesses using a competitive
46 contracting process. Currently, the threshold set forth in
47 R.S.52:32-2 is \$2,000.

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1 The bill's provisions are necessary to ensure that the equality of
2 opportunity guaranteed by federal and State law are available to
3 minority-owned and women-owned businesses in this State. It is
4 based, in part, on legislation recently enacted in New York State.