

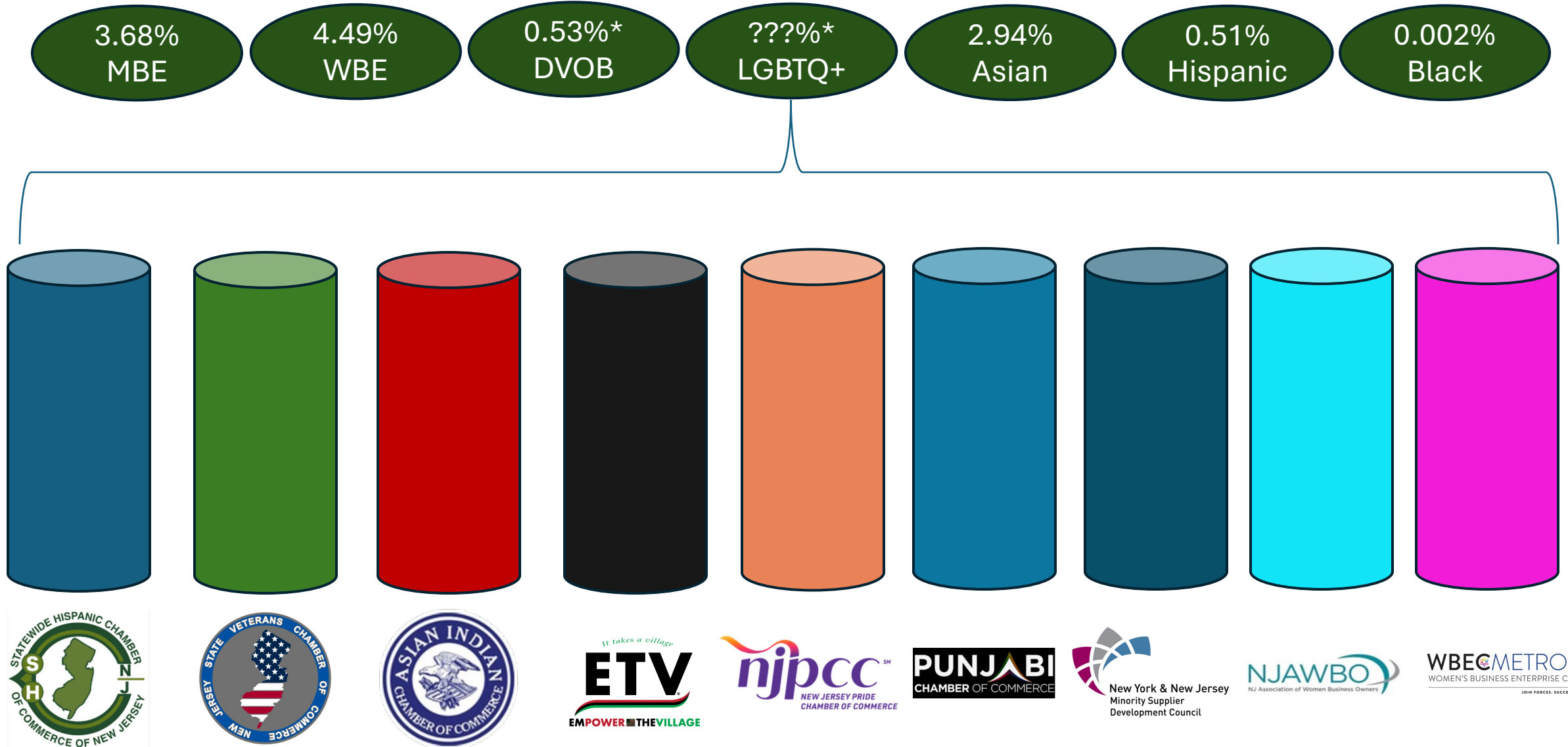


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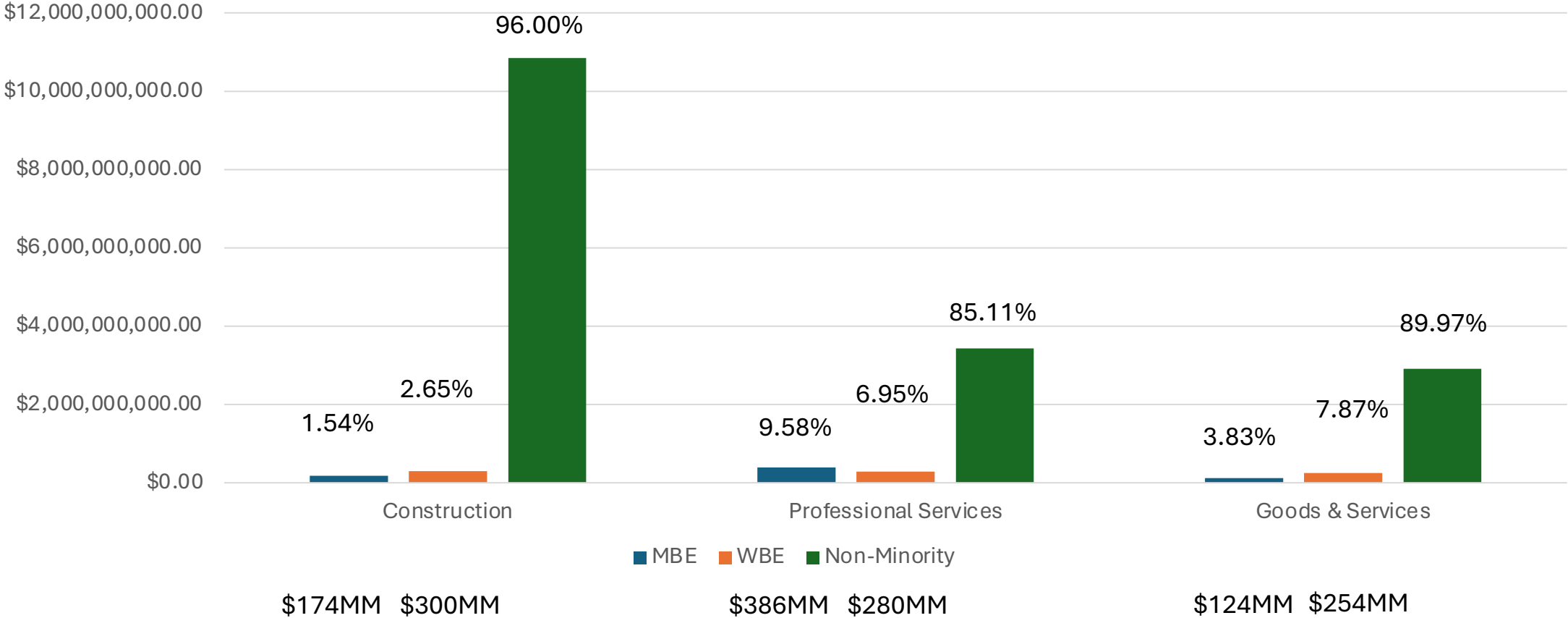
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# Procurement Results from the 2024 NJ Disparity Study 2015-2020



# M/WBE \$ Spends in NJ

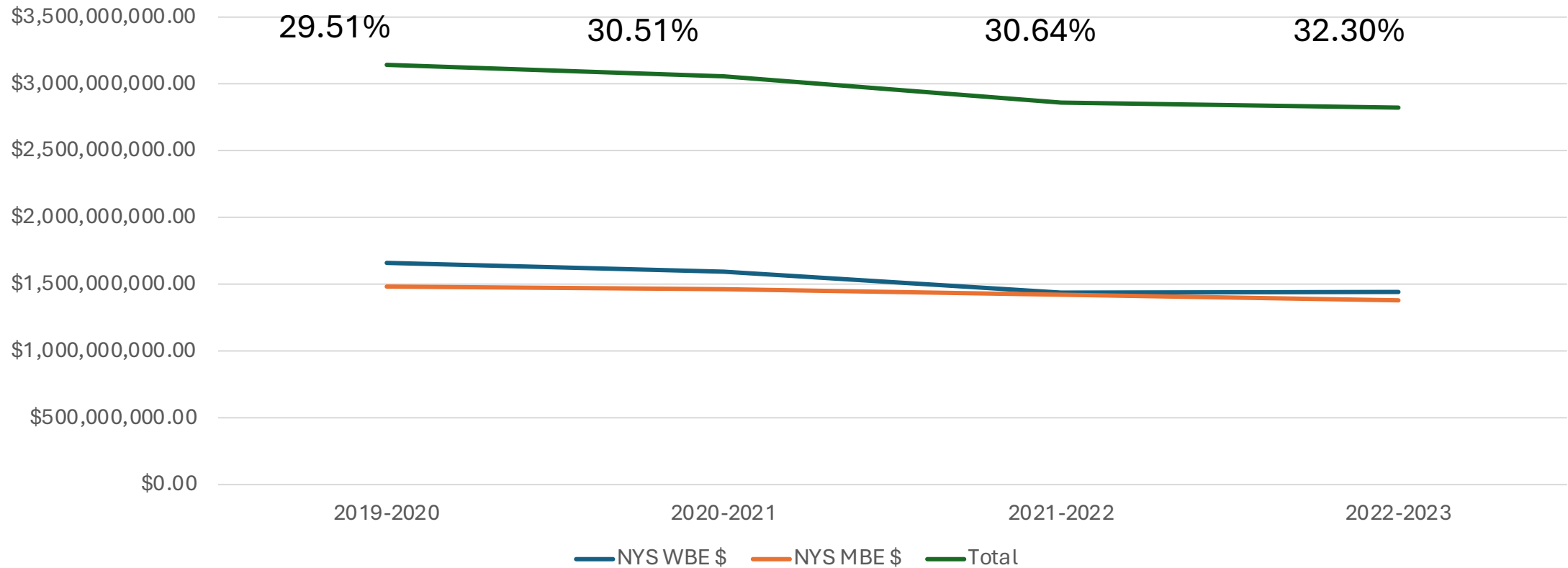
\$ & % Spends for M/WBEs vs. Non-Minorities in NJ 2015-2020



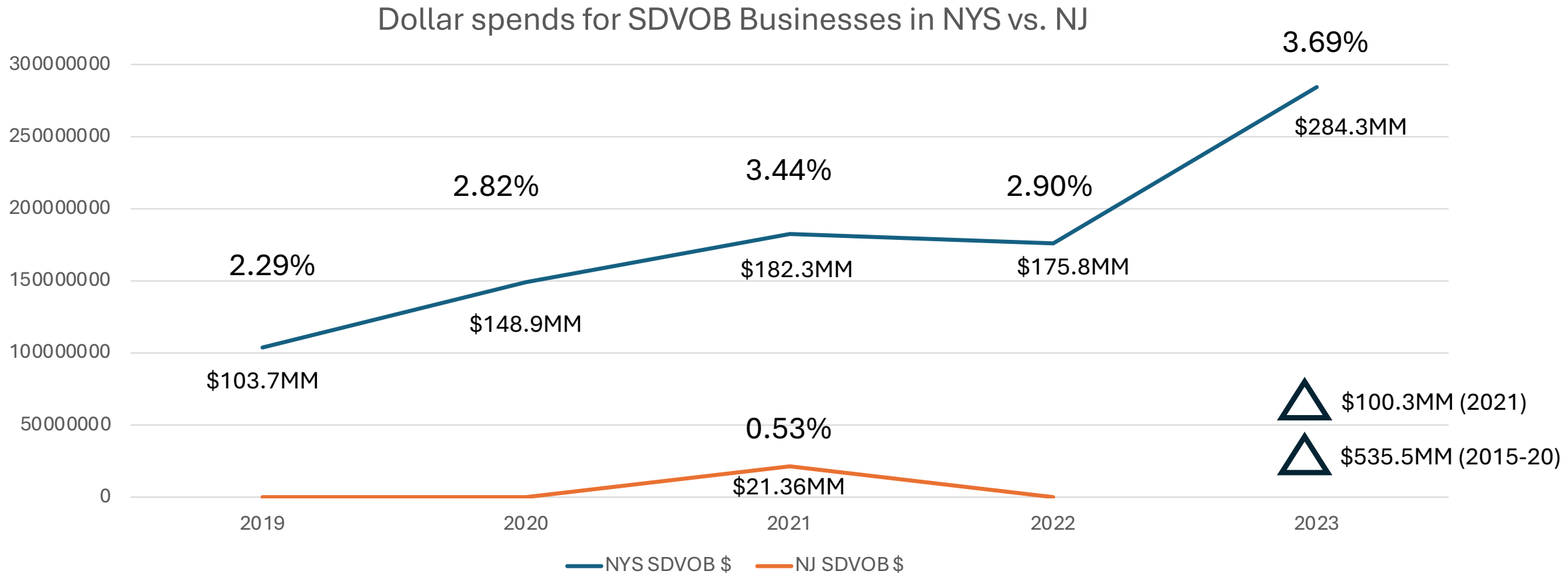
Source: 2024 NJ Disparity Study, Chapter 3, All Formal Prime Contractors, looking at all Construction, Professional Services, and Goods & Services Contracts

# NY State M/WBE Utilization

Dollar & % Spends for M/WBE Businesses in NYS 2019-2023



# NY State vs. NJ SDVOB Utilization



NJ Only published 2021 Data. If NJ adhered to the 3% DVOB law, total spends should have been: \$121,658,919

# NJDBAC Main Goal – Working Together

30%+  
S&D



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# What we are asking for



## Short Term Goals

- Governor to issue an Executive Order with the following information:
  - Memorialize the NJDBAC and make it an official state council
  - Official NJ Council, NJ Diverse Business Advisory Council - NJDBAC, should be made up of the diverse chamber leads, front office personnel, NJEDA, Treasury, and members of the legislature (Diverse chamber leads are voting members)
  - Every state agency must cooperate with the council
  - All RFPs moving forward will contain language for diverse business utilization
  - Establish an office for small & diverse business development
- NJ to commit to 30% Small & Diverse procurement by setting inclusive procurement goals – Legislative priority
- Provide funding in the state budget to diverse chambers to conduct outreach & programming
- Conduct significant outreach & education programs
- Streamlined certification that lasts 5 years, without having to update every year
- Networking events and conferences
- **Passage of S1313/A3330 – LGBTQ+ Certification**
- Conduct training to all state procurement professionals on defining the good faith effort and S&D utilization

# What we are asking for

## Mid Term Goals

- Unbundling of state contracts – make it easier for small & diverse businesses to compete as a prime
- S&D Goal program
- Delegated purchasing authority increase from \$17,500 to \$50,000
- Price preference program of 10% for small & diverse businesses - Legislation
- Regular evaluation & adjustment
- Create a “friendlier” and accurate diverse supplier database
- Transparency in procurement opportunities
- Capital fund for small & diverse businesses



# What we are asking for



## Long Term Goals

- Mentorship programs with Prime suppliers
- Incentives for Prime Contractors
- Regular reporting & accountability (Report Cards)
- Supplier diversity liaisons in all state agencies
- Feedback mechanisms and meetings
- Regular evaluation & adjustment
- Recognize Military Spouse Owned Businesses as a diversity category
- Publish yearly procurement data for all small & diverse businesses in Prime & Tier 2 categories
- Publish plans on how each agency plans to meet its small & diverse business procurement goals
- Help remove obstacles for credit, bonding, and access to capital
- Strengthen the laws to investigate and prosecute those businesses who allege diversity to gain state contracts
- Make the RFP process easier by streamlining on a state portal

# Legislation Needed to Support Diverse Businesses



## Priority Legislation needed for the NJ Diverse Business Advisory Council 2024-2025

1. **Prompt Payment Program** – a law that states that all small diverse businesses will be paid from each state agency that they have a contract, within 15 days of the completion of work on that contract, or portion of that contract that is established at the awarding of the contract.
2. **Creation of the Office of Small Diverse Business Development** – Creation and memorialization of the official office of small diverse business development in the office of the Governor, and provide a budget to the office commensurate with the activities that are required.
3. **Funding to diverse chambers of the NJDBAC** – create a line item in the budget to provide funding to the diverse chambers that are part of the NJDBAC to conduct outreach and programming for the diverse business community.
4. **Publish all spends in every state agency with procurement power** – A bill that mandates that every state agency with procurement power, publishes all spends of that agency with small diverse businesses vs. total spends both as a total dollar amount and as a percentage. This data should be listed on their website and should be updated quarterly. It should track spends of all the certifications listed on the state's NJ SAVI system or subsequent diversity certification system.
5. **Require every procurement officer to undergo annual diversity procurement training** – Put together training that is run out of the office of diversity & inclusion, conducted by the Chief Diversity Office and members of the Attorney General's office and members of the NJDBAC, that instructs procurement officers on the need for primes to conduct a true good faith effort, how to outreach to the diverse business communities, and the laws associated with diverse procurement in the state.
6. **No registration fees for newly formed small diverse businesses** – waive the start-up costs and registration fees for newly created small diverse businesses if they are certified under one of the diversity categories in the state.
7. **Waive EZPass tolls for one to two vehicles owned by small diverse businesses** – Create a law that will waive the EZPass tolls of up to two vehicles owned by small diverse businesses in the state.
8. **Create a 10% Price Preference Program for small diverse businesses in the state** – Allow small diverse businesses a price preference when bidding public jobs. Previous bills were S1866/A4042 (which focused on disabled veteran owned businesses). Thirteen other states have price preference laws, so there is a precedent for this law.
9. **NJEDA Diverse Business Lending fund** – Create a fund either run out of the Office of small diverse business development or NJEDA, for \$10-20 Million, that allows small diverse businesses to use a state contract as collateral and draw up to 100% of the award amount in funding to be paid back via low-interest or no-interest loan. This would be eligible for county and municipal contracts as well.



10. **Any state dollars that go to counties and municipalities be tied to a diversity business goal** – Much like the way NJEPA establishes SED goals to state/federally funded projects, any state money that is allocated to counties and municipalities will be tied to a small diverse business goal.
11. **For all Infrastructure Bank (I Bank) funded projects, small diverse businesses should be included in the diversity goals of 10%** (Currently only M/W). Waivers need to be issued for any prime vendor that is unable to meet their required diversity goals
12. **Provide funding for training in capacity building and mentorship between prime vendors and small diverse businesses** – Have the state create a training fund to help build capacity for small diverse businesses in the state.
13. **Create a state certification for Military Spouse Owned Businesses** – The creation of the MILSPOUSE state certification will continue to help diverse owned businesses including those owned by military spouses.
14. **Create a First look Program** – Procurement personnel would be required to first look at small diverse businesses when purchasing through delegated purchase authority or under the threshold purchases in the state.
15. **Create Ombudsmen at all state agencies with procurement power** – The creation of Ombudsmen will allow small diverse businesses to speak directly to a person within the state agency that can help them with problems such as getting paid, contract resolution, and other business-related aspects.

For more information, please reach out to us at [info@njveteranschamber.com](mailto:info@njveteranschamber.com)

# What the NJDBAC is up to

## Providing Testimony in Trenton



## Providing Testimony in Trenton



## Working with the FIFA World Cup Host Committee



# Proposed Table Of Organization for the Office of Small & Diverse Business Development

