

SENATE STATE GOVERNMENT, WAGERING, TOURISM &
HISTORIC PRESERVATION COMMITTEE

STATEMENT TO

SENATE, No. 841

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 23, 2022

The Senate State Government, Wagering, Tourism and Historic Preservation Committee reports favorably and with committee amendments Senate Bill No. 841.

As amended, this bill establishes the Department of Diversity, Equity, and Inclusion (DDEI) as a new principal department within the Executive Branch. The bill specifies the commissioner of Diversity, Equity, and Inclusion is appointed by the Governor with advice and consent of the Senate, and serves at the pleasure of the Governor during the Governor's term of office. The commissioner serves as the administrator and chief executive officer of the DDEI.

The functions, powers, and duties of the commissioner are set forth in this bill and will include consulting and assisting on efforts by the Director of the Division of Investment in the Department of Treasury to attempt to use underrepresented financial businesses to provide brokerage and investment management services;

consulting and assisting on diversity, equity, and inclusion in investments by the State, and its political subdivisions, in the allocation of loans and grants for business formation, and in the provision of low interest loans and down payment support for homeowners; and

consulting and assisting on diversity, equity, and inclusion in procurement by the State and its political subdivisions.

The bill transfers certain State offices, units, and responsibilities to the DDEI. The functions, powers, and duties of the Small Business Registration and Minority and Women-Owned Business Enterprise Certification Services Unit in the Department of the Treasury would be transferred to the DDEI. Additionally, the DDEI would be responsible for the operation and continued development of the central registry, known as the Selective Assistance Vendor Information (SAVI II) database, which lists businesses certified as eligible to perform contracts under any State set-aside program.

The bill requires Statewide and State agency-specific strategic plans for diversity, equity, inclusion, and accessibility in State government workforce. Under the bill, the Commissioner of

Diversity, Equity, and Inclusion, in consultation with the State Treasurer, Commissioner of Labor and Workforce Development, and Chairperson and Chief Executive Officer of the Civil Service Commission must establish a coordinated Statewide initiative to promote diversity, equity, inclusion, and accessibility in the State government workforce. Under the bill, the head of each State agency must, no later than 45 days following the issuance of the Statewide diversity, equity, inclusion, and accessibility strategic plan, and annually thereafter, develop and submit to Commissioner of Diversity, Equity, and Inclusion the diversity, equity, inclusion, and accessibility strategic plan.

The bill also requires the Commissioner of Diversity, Equity, and Inclusion to issue guidance on and State agencies to address:

- (1) paid internships, fellowships, and apprenticeships;
- (2) strengthening partnerships and recruitment with diverse communities and institutions;
- (3) pay equity;
- (4) data collection;
- (5) ensuring accessibility for State employees with disabilities;
- (6) evaluating the existence of any barriers that formerly incarcerated individuals face in accessing State employment opportunities; and
- (7) the availability and use of diversity training programs.

This bill establishes a requirement, to be overseen and enforced by the new department, that any entity which receives a development subsidy or financial assistance from the State submit and implement a strategic diversity, equity, and inclusion plan to the Department of Diversity, Equity, and Inclusion. The plan is intended to assist corporations and not-for-profit entities in better understanding the State's demographics, while affording minority-owned and women-owned businesses more opportunities to participate in the procurement of goods and services to the public and private sector. The bill specifies what information an entity is required to include in the strategic diversity, equity, and inclusion plan. Each recipient of a development subsidy or financial assistance is required, for the duration of the subsidy or five years, whichever is longer, to submit annual reports on the progress of the recipient towards achieving its diversity, equity, and inclusion goals for the reporting period.

This bill also transfers the Division on Civil Rights to the Department of Diversity, Equity, and Inclusion. The division currently is in the Department of Law and Public Safety and is under the direction of the Attorney General, in conjunction with a commission consisting of seven public members appointed by the Governor. Under the bill, the commissioner of the department assumes the responsibilities of the Attorney General. The public member commission continues in its current capacity.

COMMITTEE AMENDMENTS:

The committee amended the bill to remove reference to the Office of Diversity and Inclusion, which was not established following the Governor's conditional veto of Senate Bill No. 2525 from the 2020-2021 Legislative session. The amendments also make technical corrections to the references of certain sections in the bill.