

SENATE, No. 2525

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JUNE 4, 2020

Sponsored by:

Senator RONALD L. RICE

District 28 (Essex)

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District 7 (Burlington)

SYNOPSIS

Expands powers and duties of State Chief Diversity Officer to promote diversity in State government and public contracting; makes officer member to State Investment Council.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/11/2020)

1 AN ACT concerning the powers and duties of the State Chief
2 Diversity Officer and amending P.L.2017, c.95 and P.L.1950,
3 c.270.

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

7
8 1. Section 1 of P.L.2017, c.95 (C.52:32-18.1) is amended to read
9 as follows:

10 1. a. There is established in the **【**Division of Purchase and
11 Property in the**】** State Department of the Treasury the State Office of
12 Diversity and Inclusion. The purpose of the office shall be to lead
13 New Jersey's efforts to promote diversity in State government so that
14 it is reflective of the State's population and to increase utilization of
15 minority-owned and women-owned business enterprises in the
16 State's public contracting process.

17 b. The office shall be headed by a Chief Diversity Officer who
18 shall be appointed by the Governor.

19 c. It shall be the duty of the Chief Diversity Officer to:

20 (1) advise the Governor on Statewide policies and procedures
21 related to workforce diversity and minority-owned and women-
22 owned business enterprise programs;

23 (2) develop, administer, and implement a Statewide strategic
24 diversity and inclusion plan designed to provide accountability,
25 measure performance, and centralize processes and procedures
26 across State agencies, colleges, and universities;

27 (3) establish quarterly meetings with heads of State agencies,
28 colleges, and universities to review and advise on diversity training,
29 outreach, and utilization of minority-owned and women-owned
30 business enterprises;

31 (4) collaborate with the Governor's director of appointments and
32 the head of each Executive Branch department to ensure diversity in
33 recruitment for senior level positions;

34 (5) collaborate with the head of each principal department in the
35 Executive Branch to appoint a diversity officer for each department
36 who shall be charged with identifying diverse workforce talent;

37 (6) develop and implement a training curriculum that provides for
38 core competencies in diversity, equity, and inclusion;

39 (7) monitor the State's public contracting process for the purpose
40 of compiling information on the awarding of contracts to minority-
41 owned and women-owned business enterprises, the total value of all
42 contracts and the percentage of the value of those contracts awarded
43 to minority-owned and women-owned business enterprises**【.】**;

44 (8) establish goals for participation of minority-owned and
45 women-owned business enterprises based on best estimates of market
46 availability without set-asides or quotas;

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.

1 (9) receive reports from dedicated procurement officers across
2 State agencies, colleges, and universities charged with
3 implementation of minority-owned and women-owned business
4 enterprise goals for purposes of compiling an annual report to the
5 Governor evaluating attainment of such goals;

6 (10) oversee the implementation and utilization of a Statewide
7 software system that monitors and tracks State agency, college, and
8 university minority-owned and women-owned business enterprise
9 spending in real time, provides analysis of agency utilization goals,
10 and alerts agencies when current spending patterns are projected to
11 not reach those goals;

12 (11) ensure that State procurement solicitation documents set
13 forth minority-owned and women-owned business enterprise goals
14 and require that State agencies, colleges, and universities provide
15 lists of known minority-owned and women owned business
16 enterprise subcontractors to parties seeking such information;

17 (12) establish protocols and practices for State agencies,
18 colleges, and universities to conduct outreach efforts to minority-
19 owned and women-owned business enterprises;

20 (13) ensure that the State Department of the Treasury sets
21 reasonable goals for working with minority and women fiscal agents
22 as defined in section 2 of P.L.2001, c.286 (C.52:18A-8.1a); and

23 (14) ensure that State fiduciary entities develop programs to
24 provide financing or access to capital for minority-owned and women
25 owned business enterprises.

26 For purposes of this section, "State agency" means any principal
27 department in the Executive Branch and any division, board, bureau,
28 office, commission, or other instrumentality within or created by a
29 principal department, and any independent State authority,
30 commission, or instrumentality.

31 (cf: P.L.2017, c.95, s.1)

32
33 2. Section 5 of P.L.1950, c.270 (C.52:18A-83) is amended to
34 read as follows:

35 5. a. There is hereby established in the Division of Investment
36 a State Investment Council which shall consist of **[16]**17 members.

37 (1) Each of the following agencies, namely, the Board of Trustees
38 of the Public Employees' Retirement System, and the Board of
39 Trustees of the Teachers' Pension and Annuity Fund, shall designate
40 one board member elected to serve on the board, to serve as a member
41 of the State Investment Council herein established. The Chief Justice
42 of the New Jersey Supreme Court shall designate one member of the
43 Retired Judges Association of New Jersey to serve as a member of
44 the State Investment Council herein established. The three members
45 of the council so designated shall serve as such for a period of three
46 years from the date of their designation and until their respective
47 successors are in like manner designated.

1 (2) Eight of the members of the State Investment Council shall be
2 appointed by the Governor, with the advice and consent of the Senate,
3 for a term of five years and shall serve until the member's successor
4 is appointed and has qualified. Of the initial members appointed
5 following the effective date of P.L.2011, c.78, one shall serve for an
6 initial period of three years, and one shall serve for an initial period
7 of two years.

8 (3) One member of the State Investment Council shall be
9 appointed by the Governor from among three persons nominated
10 jointly by the President of the Senate and the Speaker of the General
11 Assembly and shall serve for a term of five years and until the
12 member's successor is appointed and has qualified.

13 (4) Two members of the State Investment Council shall be
14 appointed by the Governor from among six persons nominated by the
15 Public Employee Committee of the New Jersey State AFL-CIO and
16 shall serve for a term of five years and until the member's successor
17 is appointed and has qualified. If the persons nominated are not
18 acceptable to the Governor for appointment, the Governor may
19 request submission of new nominees.

20 (5) One member of the State Investment Council shall be
21 appointed by the Governor from among three persons nominated by
22 the New Jersey Education Association and shall serve for a term of
23 three years and until the member's successor is appointed and has
24 qualified. If the persons nominated are not acceptable to the
25 Governor for appointment, the Governor may request submission of
26 new nominees.

27 (6) One member of the State Investment Council shall be
28 appointed by the Governor from among three persons nominated by
29 the State Troopers Fraternal Association and shall serve for a term of
30 three years and until the member's successor is appointed and has
31 qualified. If the persons nominated are not acceptable to the
32 Governor for appointment, the Governor may request submission of
33 new nominees.

34 (7) One member of the State Investment Council shall be the
35 Chief Diversity Officer, ex officio, who was appointed in accordance
36 with section 1 of P.L.2017, c.95 (C.52:32-18.1).

37 The four members appointed pursuant to paragraphs (4), (5) and
38 (6) of this subsection by the Governor to the council shall be qualified
39 by training, experience or long-term interest in the direct
40 management, analysis, supervision or investment of assets, and this
41 training, experience or long-term interest shall have been
42 supplemented by academic training in the fields of economics,
43 business, law, finance or actuarial science or by actual employment
44 in those fields.

45 At least seven of the nine members appointed pursuant to
46 paragraphs (2) and (3) of this subsection by the Governor to the
47 council shall be qualified by training and experience in the direct
48 management, analysis, supervision or investment of assets, which

1 training and experience shall have been acquired through academic
2 training or through actual employment in those fields.

3 b. No member of the State Investment Council shall hold any
4 office, position or employment in any political party nor shall any
5 such member benefit directly or indirectly from any transaction made
6 by the Director of the Division of Investment provided for herein.

7 The members of the council shall elect annually from their number
8 a chairman of such council. Any member of the council so elected
9 shall serve as such chairman for a term of one year and until a
10 successor is, in like manner, elected. The chairman of the council
11 shall be its presiding officer.

12 The members of the council shall serve without compensation but
13 shall be reimbursed for necessary expenses incurred in the
14 performance of their duties as approved by the chairman of the
15 council. The members of the council shall be required to file the same
16 annual financial disclosure statements as those required to be filed by
17 members of other State boards and commissions who are not
18 compensated for their services, as such statements shall be required
19 by law or executive order of the Governor. The financial disclosure
20 statements of council members shall be made available to the public
21 in the same manner as the statements of members of other State
22 boards and commissions are made available to the public.

23 Each member of the council, except the member appointed from
24 among persons nominated by the President of the Senate and the
25 Speaker of the General Assembly, may be removed from office by
26 the Governor, for cause, upon notice and opportunity to be heard at a
27 public hearing. Any vacancy in the membership of the council
28 occurring other than by expiration of term shall be filled in the same
29 manner as the original appointment, but for the unexpired term only.

30 c. The terms of the members of the council serving pursuant to
31 paragraph (1) of subsection a. of this section and serving on the
32 effective date of P.L.2011, c.78 are terminated as of that effective
33 date. A member terminated pursuant to this subsection shall be
34 eligible for reappointment.

35 (cf: P.L.2019, c.435, s.1)

36
37 3. This act shall take effect immediately.
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40 STATEMENT

41
42 This bill expands the roles and responsibilities of the State's Chief
43 Diversity Officer. Currently, the Chief Diversity Officer is
44 responsible for monitoring the State's public contracting process to
45 compile information on the awarding of contracts to minority-owned
46 and women-owned businesses.

47 In addition to performing this current role, the Chief Diversity
48 Officer would also be responsible for promoting diversity and

1 inclusion within State government by developing a Statewide
2 diversity and inclusion plan and ensuring that diverse candidates are
3 considered for State positions.

4 This bill gives the Chief Diversity Officer a more active role in
5 promoting the utilization of minority-owned and women-owned
6 businesses by State agencies, colleges, and universities. This bill
7 also requires the Chief Diversity Officer to serve as a member of the
8 State Investment Council.

9 By expanding upon the roles and responsibilities of the State's
10 Chief Diversity Officer, State government will better understand and
11 be reflective of the State's demographics while affording minority-
12 owned and women-owned businesses more opportunities to
13 participate in the procurement of goods and services to the public
14 sector.