

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 2525

**STATE OF NEW JERSEY
219th LEGISLATURE**

DATED: JUNE 18, 2020

SUMMARY

- Synopsis:** Expands powers and duties of State Chief Diversity Officer to promote diversity in State government and public contracting.
- Type of Impact:** Potential annual expenditure increase.
- Agencies Affected:** Department of the Treasury

Office of Legislative Services Estimate

Fiscal Impact	<u>FY 2020 and Thereafter</u>
Potential Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) surmises this bill may increase annual State costs if the Office of Diversity and Inclusion and the State’s Chief Diversity Officer are required to hire additional staff or invest in new technology to satisfy the bill’s requirements.
- The OLS cannot predict future employment actions or possible technology changes that may be made by the Executive but notes that some of the requirements prescribed in the bill appear to be current responsibilities of that office and the Chief Diversity Officer.

BILL DESCRIPTION

This bill expands the roles and responsibilities of the State’s Chief Diversity Officer. Currently, the Chief Diversity Officer is responsible for monitoring the State’s public contracting process to compile information on the awarding of contracts to minority-owned and women-owned businesses. The bill requires the Chief Diversity Officer to be responsible for promoting diversity and inclusion within State government by developing a Statewide diversity and inclusion plan and ensuring that diverse candidates are considered for State positions. It also requires the office to oversee the implementation and utilization of a Statewide software system that monitors and tracks State agency, college, and university minority-owned and women-owned business enterprise spending in real time, provides analysis of agency utilization goals, and alerts agencies when current spending patterns are projected to not reach those goals.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS surmises this bill may increase annual State costs if the Office of Diversity and Inclusion and the State's Chief Diversity Officer are required to hire additional staff or invest in new technology to satisfy the bill's requirements.

The OLS notes that the Chief Diversity Officer position currently exists within the State Office of Diversity and Inclusion in the Department of the Treasury. According to the office's website, the office is responsible for, but not limited to: 1) developing training curriculum that provides for core competencies in diversity, equity, and inclusion; 2) collaboration with Cabinet members and appointing authorities to identify diverse workforce talent; and 3) the development of a statewide strategic diversity and inclusion plan designed to provide for accountability, measure performance, and centralize processes and procedures across state departments, agencies, authorities, colleges, and universities. The bill appears to codify in State law some of the responsibilities currently under the Chief Diversity Officer's purview while also providing for additional responsibilities. Those additional responsibilities could lead to the hiring of more staff and possible investment in new technology, but the OLS cannot predict the actions the Executive may take on these fronts.

Section: Revenue, Finance and Appropriations

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).