

**SENATE, No. 907**

**STATE OF NEW JERSEY**  
**221st LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

**Sponsored by:**  
**Senator KRISTIN M. CORRADO**  
**District 40 (Bergen, Essex and Passaic)**  
**Senator JAMES BEACH**  
**District 6 (Burlington and Camden)**

**SYNOPSIS**

Provides that disability-owned businesses be included in certain business development programs, direct loan programs, and certification processes; requires Chief Diversity Officer compile information on awarding of State contracts to disability-owned businesses.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



1   **AN ACT** concerning the designation of disability-owned businesses  
2       for certain State programs and monitoring, and amending various  
3       parts of the statutory law.

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

7  
8       1. Section 32 of P.L.2019, c.153 (C.24:6I-25) is amended to  
9 read as follows:

10      32. a. There is hereby established in the commission an Office  
11 of Minority, Disabled Veterans, Disability-Owned, and Women  
12 Medical Cannabis Business Development. The office shall be  
13 under the immediate supervision of a director. The director of the  
14 office shall be appointed by the Governor, and shall serve at the  
15 pleasure of the appointing Governor during the Governor's term of  
16 office and until a successor has been duly appointed and qualified.  
17 Any vacancy in the directorship occurring for any reason other than  
18 the expiration of the director's term of office shall be filled for the  
19 unexpired term only in the same manner as the original  
20 appointment. The director shall receive an annual salary as  
21 provided by law which shall be at an amount not to exceed the  
22 annual salary of the executive director of the commission.

23      b. (1) The office shall establish and administer, under the  
24 direction of the commission, unified practices and procedures for  
25 promoting participation in the medical cannabis industry by persons  
26 from socially and economically disadvantaged communities,  
27 including by prospective and existing ownership of minority  
28 businesses, disability-owned businesses, and women's businesses,  
29 as these terms are defined in section 2 of P.L.1986, c.195  
30 (C.52:27H-21.18), and disabled veterans' businesses as defined in  
31 section 2 of P.L.2015, c.116 (C.52:32-31.2), to be issued medical  
32 cannabis cultivator, medical cannabis manufacturer, medical  
33 cannabis dispensary, and clinical registrant permits. These unified  
34 practices and procedures shall include the certification and  
35 subsequent recertification at regular intervals of a business as a  
36 minority or women's business, disability-owned business, or a  
37 disabled veterans' business, in accordance with eligibility criteria  
38 and a certification application process established by the  
39 commission through regulation in consultation with the office.

40      (2) The office shall conduct advertising and promotional  
41 campaigns, and shall disseminate information to the public, to  
42 increase awareness for participation in the medical cannabis  
43 industry by persons from socially and economically disadvantaged  
44 communities. To this end, the office shall sponsor seminars and  
45 informational programs, and shall provide information on its

**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 Internet website, providing practical information concerning the  
2 medical cannabis industry, including information on business  
3 management, marketing, and other related matters.

4 c. (1) The office shall develop, recommend, and implement  
5 policies, practices, protocols, standards, and criteria designed to  
6 promote the formulation of medical cannabis business entities and  
7 participation in the medical cannabis industry by persons from  
8 socially and economically disadvantaged communities, including by  
9 promoting applications for, and the issuance of, medical cannabis  
10 cultivator, medical cannabis manufacturer, medical cannabis  
11 dispensary, and clinical registrant permits to certified minority,  
12 women's, disability-owned, and disabled veterans' businesses. The  
13 office shall evaluate the effectiveness of these measures by  
14 considering whether the measures have resulted in new medical  
15 cannabis cultivator, medical cannabis manufacturer, and medical  
16 cannabis dispensary permits being issued in accordance with the  
17 provisions of subsection g. of section 12 of P.L.2019, c.153  
18 (C.24:6I-7.2).

19 (2) The office shall periodically analyze the total number of  
20 permits issued by the commission as compared with the number of  
21 certified minority, women's, disability-owned, and disabled  
22 veterans' businesses that submitted applications for, and that were  
23 awarded, such permits. The office shall make good faith efforts to  
24 establish, maintain, and enhance the measures designed to promote  
25 the formulation and participation in the operation of medical  
26 cannabis businesses by persons from socially and economically  
27 disadvantaged communities consistent with the standards set forth  
28 in paragraph (1) of this subsection, and to coordinate and assist the  
29 commission with respect to its incorporation of these permitting  
30 measures into the application and review process for issuing permits  
31 under P.L.2009, c.307 (C.24:6I-1 et al.).

32 d. The office may review the commission's measures regarding  
33 participation in the medical cannabis industry by persons from  
34 socially and economically disadvantaged communities, and  
35 minority, women's, disability-owned, and disabled veterans'  
36 businesses, and make recommendations on relevant policy and  
37 implementation matters for the improvement thereof. The office  
38 may consult with experts or other knowledgeable individuals in the  
39 public or private sector on any aspect of its mission.

40 e. The office shall prepare information regarding its activities  
41 pursuant to this section concerning participation in the medical  
42 cannabis industry by persons from socially and economically  
43 disadvantaged communities, including medical cannabis business  
44 development initiatives for minority, women's, disability-owned,  
45 and disabled veterans' businesses participating in the medical  
46 cannabis marketplace, to be incorporated by the commission into its  
47 annual report submitted to the Governor and to the Legislature

1 pursuant to section 14 of P.L.2009, c.307 (C.24:6I-12).  
2 (cf: P.L.2019, c.153, s.32)

3  
4 2. Section 1 of P.L.2017, c.261 (C.34:1B-254) is amended to  
5 read as follows:

6 1. As used in P.L.2017, c.261 (C.34:1B-254 et seq.):

7 "Authority" means the New Jersey Economic Development  
8 Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).

9 "Qualified business" means a business that qualifies, under  
10 criteria established by the authority, as a small, woman-owned,  
11 disability-owned, or minority-owned New Jersey-based business,  
12 manufacturer, redeveloper, or non-profit organization.

13 "Regional center" means an area designated as a "regional  
14 center" in the State Development and Redevelopment Plan adopted  
15 pursuant to the "State Planning Act," P.L.1985, c.398 (C.52:18A-  
16 196 et al.).

17 "Urban center" means an area designated as an "urban center" in  
18 the State Development and Redevelopment Plan adopted pursuant  
19 to the "State Planning Act," P.L.1985, c.398 (C.52:18A-196 et al.).  
20 (cf: P.L.2017, c.261, s.1)

21  
22 3. Section 1 of P.L.1986, c.195 (C.52:27H-21.17) is amended  
23 to read as follows:

24 1. The Legislature finds and declares that:

25 a. Historically, businesses owned by minorities, persons with  
26 disabilities, and women have been small establishments offering  
27 products and services and their participation in the nation's business  
28 community has been disproportionate to their numbers in society as  
29 a whole.

30 b. The opportunity for full participation in our free enterprise  
31 system by minorities, persons with disabilities, and women is  
32 essential if social and economic justice for them is to be attained,  
33 and the functioning of our economy improved.

34 c. The role of government at the national, State and local levels  
35 in encouraging the development of businesses owned by minorities,  
36 persons with disabilities, and women has been recognized and is  
37 developing at a rapid pace, with technical and financial assistance,  
38 contract procurement, contract set-asides and other programs  
39 designed to encourage development.

40 d. As a result, each year entrepreneurs in New Jersey spend an  
41 average of \$5,000.00 to demonstrate that they qualify for these  
42 programs designed to foster the growth and development of their  
43 businesses, so that the public agencies administering the programs  
44 can be certain that the businesses which benefit are bona fide  
45 minority, disability-owned, or women's businesses.

46 e. A unified procedure for the certification of businesses  
47 owned by minorities, persons with disabilities, and women,  
48 administered by the State, for the purpose of certifying the

1 eligibility of the businesses for various State programs will  
2 eliminate duplication of effort and improve efficiency, thereby  
3 increasing productivity and reducing costs in the public and the  
4 private sectors.

5 (cf: P.L.1986, c.195, s.1)

6  
7 4. Section 2 of P.L.1986, c.195 (C.52:27H-21.18) is amended  
8 to read as follows:

9 2. As used in this act:

10 a. "Control" means authority over the affairs of a business,  
11 including, but not limited to, capital investment, property  
12 acquisition, employee hiring, contract negotiations, legal matters,  
13 officer and director selection, operating responsibility, financial  
14 transactions and the rights of other shareholders or joint partners;  
15 except that control shall not include absentee ownership, nor shall it  
16 be deemed to exist where an owner or employee who is not a  
17 minority, in the case of a minority business; an owner or employee  
18 who is not a person with disabilities, in the case of a disability-  
19 owned business, or a male owner or employee, in the case of a  
20 women's business, is disproportionately responsible for the  
21 operation of the business or for policy and contractual decisions.

22 b. **["Commissioner"** means the Secretary and Chief Executive  
23 Officer of the New Jersey Commerce and Economic Growth  
24 Commission created pursuant to section 3 of P.L.1998, c.44  
25 (C.52:27C-63).**】** (Deleted by amendment, P.L. , c. ) (pending  
26 before the Legislature as this bill)

27 c. "Director" means the Director of the **【**Division of  
28 Development for Small Businesses and Women's and Minority  
29 Businesses in the New Jersey Commerce and Economic Growth  
30 Commission created pursuant to section 3 of P.L.1998, c.44  
31 (C.52:27C-63)**】** Division of Revenue and Enterprise Services in the  
32 Department of the Treasury.

33 d. "Division" means the **【**Division of Development for Small  
34 Businesses and Women's and Minority Businesses in the New  
35 Jersey Commerce and Economic Growth Commission created  
36 pursuant to section 3 of P.L.1998, c.44 (C.52:27C-63)**】** Division of  
37 Revenue and Enterprise Services in the Department of the Treasury.

38 e. "Minority" means a person who is:

39 (1) Black, which is a person having origins in any of the black  
40 racial groups in Africa; or

41 (2) Hispanic, which is a person of Spanish or Portuguese  
42 culture, with origins in Mexico, South or Central America, or the  
43 Caribbean Islands, regardless of race; or

44 (3) Asian-American, which is a person having origins in any of  
45 the original peoples of the Far East, Southeast Asia, Indian  
46 subcontinent, Hawaii, or the Pacific Islands; or

- 1 (4) American Indian or Alaskan native, which is a person having  
2 origins in any of the original peoples of North America.
- 3 f. "Minority business" means a business which is:
- 4 (1) A sole proprietorship owned and controlled by a minority;
- 5 (2) A partnership or joint venture owned and controlled by  
6 minorities in which at least 51% of the ownership interest is held by  
7 minorities and the management and daily business operations of  
8 which are controlled by one or more of the minorities who own it;  
9 or
- 10 (3) A corporation or other entity whose management and daily  
11 business operations are controlled by one or more minorities who  
12 own it, and which is at least 51% owned by one or more minorities,  
13 or, if stock is issued, at least 51% of the stock is owned by one or  
14 more minorities.
- 15 g. "Public agency" means the State or any department, division,  
16 agency, authority, board, commission or committee thereof.
- 17 h. "Woman" or "women" means a female or females, regardless  
18 of race.
- 19 i. "Women's business" means a business which is:
- 20 (1) A sole proprietorship owned and controlled by a woman; or
- 21 (2) A partnership or joint venture owned and controlled by  
22 women in which at least 51% of the ownership is held by women  
23 and the management and daily business operations of which are  
24 controlled by one or more women who own it; or
- 25 (3) A corporation or other entity whose management and daily  
26 business operations are controlled by one or more women who own  
27 it, and which is at least 51% owned by women, or, if stock is issued,  
28 at least 51% of the stock is owned by one or more women.
- 29 j. "Applicant" means an individual or individuals, a sole  
30 proprietor, partnership, joint venture or corporation that applies for  
31 certification as a minority business, disability-owned business, or  
32 women's business, in accordance with the provisions of P.L.1986,  
33 c.195 (C.52:27H-21.17 et seq.).
- 34 k. "Disability" means a physical or mental disability that  
35 substantially impairs a major life activity.
- 36 l. "Disability-owned business" means a business which is:
- 37 (1) A sole proprietorship owned and controlled by a person with  
38 disabilities; or
- 39 (2) A partnership or joint venture owned and controlled by  
40 persons with disabilities in which at least 51 percent of the  
41 ownership is held by persons with disabilities and the management  
42 and daily business operations of which are controlled by one or  
43 more persons with disabilities who own it; or
- 44 (3) A corporation or other entity whose management and daily  
45 business operations are controlled by one or more persons with  
46 disabilities who own it, and which is at least 51 percent owned by  
47 persons with disabilities, or, if stock is issued, at least 51 percent of

1 the stock is owned by one or more persons with disabilities.

2 (cf: P.L.2003, c.189, s.2)

3

4 5. Section 3 of P.L.1986, c.195 (C.52:27H-21.19) is amended  
5 to read as follows:

6 3. Notwithstanding the provisions of any law, rule or regulation  
7 to the contrary, the division shall have the exclusive authority  
8 within State government to certify to public agencies the eligibility  
9 of a business to bid on contracts as a "minority business,"  
10 "disability-owned business," or "women's business" under any  
11 program conducted by the public agency for which such  
12 certification is so required. That certification by the division shall  
13 be binding on the public agency.

14 (cf: P.L.1986, c.195, s.3)

15

16 6. Section 4 of P.L.1986, c.195 (C.52:27H-21.20) is amended  
17 to read as follows:

18 4. The division shall establish a unified procedure for the  
19 certification of a business as a minority business, disability-owned  
20 business, or women's business, for the purpose of establishing  
21 eligibility to bid on public contracts.

22 In establishing and administering the procedure required by this  
23 section, the director shall insure that the application and  
24 certification process is clear, concise, and, to the extent practicable,  
25 does not require duplication of effort on the part of the applicant or  
26 the division or the public agency administering the program. In  
27 furtherance of these objectives, the director shall:

28 a. Establish criteria to be used to determine the status of a  
29 business as a minority business, disability-owned business, or  
30 women's business, as defined by section 2 of this act, which criteria,  
31 to the extent not inconsistent with this act, shall conform to federal  
32 law or regulations and criteria used by the division;

33 b. Provide a single form for application for certification, which  
34 form shall be written in a simple, clear, understandable and easily  
35 readable way, and include instructions as to the certification  
36 procedure and any additional documents or information required to  
37 be separately supplied by the applicant for a particular program;

38 c. Have the authority to require the payment of a single fee, to  
39 be established by the director, to compensate the division for its  
40 cost in administering the certification process;

41 d. Screen applicants to insure that businesses seeking  
42 certification are not misrepresenting their status as minority  
43 businesses, disability-owned businesses, or women's businesses, as  
44 the case may be, and that the minority, disability-owned, or  
45 women's business applicants are, in fact, in the control of members  
46 of minority groups, persons with disabilities groups, or women, and  
47 are not merely "fronts" for businesses controlled by persons other  
48 than minorities, persons with disabilities, or women;

1 e. Monitor the status of certified businesses to insure continued  
2 compliance with the criteria for certification and control by the  
3 appropriate persons;

4 f. Compile, maintain and make available to the public agencies  
5 lists of businesses certified as minority businesses, disability-owned  
6 businesses, or women's businesses; and

7 g. Provide for dissemination of information to interested  
8 parties, and the public at large, concerning the certification of  
9 businesses as minority businesses, disability-owned businesses, or  
10 women's businesses, as required by this act.

11 (cf: P.L.1986, c.195, s.4)

12  
13 7. Section 5 of P.L.1986, c.195 (C.52:27H-21.21) is amended  
14 to read as follows:

15 5. When the division's procedure for certification of a business  
16 as a minority business, disability-owned business, or women's  
17 business conflicts with a federal certification procedure that affects  
18 a State project in which the federal government participates, the  
19 federal certification procedure shall take precedence. Public  
20 agencies shall identify those projects and shall notify the division.

21 (cf: P.L.1986, c.195, s.5)

22  
23 8. Section 6 of P.L.1986, c.195 (C.52:27H-21.22) is amended  
24 to read as follows:

25 6. The director may require of a first-time applicant for  
26 certification as a minority business, disability-owned business, or  
27 women's business the documentation that is necessary to determine  
28 the applicant's eligibility for certification. Such documentation may  
29 include, but not be limited to:

30 a. Names and addresses of the owner, partners or shareholders,  
31 as applicable, and their representative shares of ownership;

32 b. Names and addresses of members of the board of directors,  
33 in the case of corporations;

34 c. Names and addresses of the officers of the business;

35 d. Number of shares of stock issued and outstanding, in the  
36 case of a corporation;

37 e. Articles of incorporation, bylaws, partnership agreements, or  
38 joint venture agreements, as applicable;

39 f. Organizational charts;

40 g. An applicant's certificate of birth and motor vehicle driver's  
41 license; and

42 h. An affidavit certifying that the applicant is a minority  
43 business, disability-owned business, or women's business, as  
44 defined pursuant to section 2 of P.L.1986, c.195 (C.52:27H-21.18).

45 The director shall not require an applicant to provide any  
46 personal federal or personal State income tax returns.

47 (cf: P.L.2003, c.189, s.3)



1       9. Section 4 of P.L.2003, c.189 (C.52:27H-21.22a) is amended  
2 to read as follows:

3       4. The director shall require a first-time applicant to apply for  
4 recertification as a minority business, disability-owned business, or  
5 women's business one year after the original certification was  
6 issued. The director may require of the applicant the documentation  
7 that is necessary to determine the applicant's eligibility for  
8 recertification, including but not limited to:

9       a. Names and addresses of the owner, partners or shareholders,  
10 as applicable, and their representative shares of ownership;

11       b. Names and addresses of members of the board of directors,  
12 in the case of corporations;

13       c. Names and addresses of the officers of the business;

14       d. Names and addresses of capital investors;

15       e. Number of shares of stock issued and outstanding, in the  
16 case of a corporation;

17       f. Articles of incorporation, bylaws, partnership agreements, or  
18 joint venture agreements, as applicable;

19       g. The capacity of the business to be bonded;

20       h. The affiliation of the business or any of its owners, officers  
21 or directors with any other business entity;

22       i. A representative list of prior and current clients;

23       j. Major real and personal property holdings of the business;

24       k. Financial statements and balance sheets;

25       l. Banking institutions with which the business is affiliated;  
26 and

27       m. Organizational charts;

28       n. An applicant's certificate of birth and motor vehicle driver's  
29 license;

30       o. Personal or corporate federal or State income tax returns;

31       p. An affidavit certifying that the applicant is a minority  
32 business, disability-owned business, or women's business, as  
33 defined in section 2 of P.L.1986, c.195 (C.52:27H-21.18); and

34       q. Any other information the director deems necessary to  
35 effectuate the purposes of this act.

36 (cf: P.L.2003, c.189, s.4)

37

38       10. Section 5 of P.L.2003, c.189 (C.52:27H-21.22b) is amended  
39 to read as follows:

40       5. After a minority business, disability-owned business, or  
41 women's business has been recertified after first receiving initial  
42 certification, the director shall require the certified minority  
43 business, certified disability-owned business, or certified women's  
44 business to apply for recertification every five years. The director  
45 may require of the applicant the documentation that is necessary to  
46 determine the applicant's eligibility for recertification, including but  
47 not limited to:

- 1 a. Names and addresses of the owner, partners or shareholders,
- 2 as applicable, and their representative shares of ownership;
- 3 b. Names and addresses of members of the board of directors,
- 4 in the case of corporations;
- 5 c. Names and addresses of the officers of the business;
- 6 d. Names and addresses of capital investors;
- 7 e. Number of shares of stock issued and outstanding, in the
- 8 case of a corporation;
- 9 f. Articles of incorporation, bylaws, partnership agreements, or
- 10 joint venture agreements, as applicable;
- 11 g. The capacity of the business to be bonded;
- 12 h. The affiliation of the business or any of its owners, officers
- 13 or directors with any other business entity;
- 14 i. A representative list of prior and current clients;
- 15 j. Major real and personal property holdings of the business;
- 16 k. Financial statements and balance sheets;
- 17 l. Banking institutions with which the business is affiliated;
- 18 and
- 19 m. Organizational charts;
- 20 n. An applicant's certificate of birth and motor vehicle driver's
- 21 license;
- 22 o. Personal or corporate federal or State income tax returns;
- 23 p. An affidavit certifying that the applicant is a minority
- 24 business, disability-owned business, or women's business, as
- 25 defined in section 2 of P.L.1986, c.195 (C.52:27H-21.18); and
- 26 q. Any other information the director deems necessary to
- 27 effectuate the purposes of this act.
- 28 (cf: P.L.2003, c.189, s.5)

29  
30 11. Section 7 of P.L.1986, c.195 (C.52:27H-21.23) is amended  
31 to read as follows:

32 7. The **【commissioner】** State Treasurer shall report to the  
33 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-  
34 19.1), the Legislature annually as to the status of the uniform  
35 certification procedure required by this act, including any  
36 recommendations for legislation which would enable the division to  
37 more efficiently and effectively carry out its duties and  
38 responsibilities under this act.  
39 (cf: P.L.1986, c.195, s.7)

40  
41 12. Section 8 of P.L.1986, c.195 (C.52:27H-21.24) is amended  
42 to read as follows:

43 8. The **【commissioner】** State Treasurer shall promulgate the  
44 rules and regulations he deems necessary to effectuate the purposes  
45 of this act, pursuant to the "Administrative Procedure Act," P.L.  
46 1968, c. 410 (C. 52:14B-1 et seq.).  
47 (cf: P.L.1986, c.195, s.8)

