

SENATE, No. 4626

STATE OF NEW JERSEY

222nd LEGISLATURE

INTRODUCED OCTOBER 1, 2026

Sponsored by:

Senator ANTHONY M. BUCCO

District 25 (Morris and Passaic)

SYNOPSIS

Establishes Office of Small Business Advisory Services and Small Business Advisory Accountability Fund; appropriates \$2.5 million.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT establishing the Office of Small Business Advisory
2 Services and the Small Business Advisory and Accountability
3 Fund, supplementing Title 52 of the Revised Statutes, and
4 making an appropriation.
5

6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
7 *of New Jersey:*
8

9 1. The Legislature finds and declares that:

10 a. Small businesses are the foundation of the State's economy
11 and account for the majority of jobs and economic activity across
12 the State.

13 b. The National American and Indian Chamber of Commerce
14 (NAICCO) and the New Jersey Small Business Growth Council
15 (NJSBGC) collectively represent more than 10,000 small businesses
16 operating across the State.

17 c. Small businesses frequently encounter regulatory burdens,
18 funding barriers, and limited access to State programs and
19 procurement opportunities that impede their growth and
20 sustainability.

21 d. Formalizing the advisory role of the NAICCO and the
22 NJSBGC will create a structured, accountable, and effective
23 channel through which small business interests are representing in
24 State policymaking.

25 e. It is therefore in the public interest of this State to invest in
26 infrastructure necessary to ensure that small businesses have a
27 meaningful, institutionalized, voice in State governance by
28 establishing the Office of Small Business Advisory Services and the
29 Small Business Advisory Accountability Fund with the aim to
30 improve the regulatory and economic environment through
31 mandatory impact reporting, increased inter-agency collaboration,
32 and the creation of a Red Tape Reduction Task Force.
33

34 2. As used in this act:

35 "National American and Indian Chamber of Commerce" or
36 "NAICCO" means a nonprofit organization representing small
37 business interests across the State and nationwide.

38 "New Jersey Small Business Growth Council" or "NJSBGC"
39 means a nonprofit organization dedicated to the advancement and
40 advocacy of small businesses operating in this State.

41 "Office of Small Business Advisory Services" means an office
42 established in the executive branch pursuant to section 3 of this act
43 that shall review and oversee small business policy in this State.

44 "Red Tape Reduction Task Force" means a task force established
45 within the Office of Small Business Advisory Services that is
46 authorized to review existing State statutes, regulations, and
47 administrative rules that govern small business operations.

1 “Small business” means any for-profit enterprise independently
2 owned and operated, not dominant in its field of operation, and
3 meeting the size standards established pursuant to the United States
4 Small Business Administration’s regulations, as applicable or
5 otherwise

6 “Small business impact report” means a formal written
7 assessment, prepared in consultation with the NAICCO and
8 NJSBGC, that evaluates the projected economic, regulatory, and
9 operational impact of proposed legislation upon small businesses in
10 the State.

11 “Small Business Advisory and Accountability Fund” means a
12 fund established pursuant to section 11 of this act to aid the Office
13 of Small Business Advisory Service in carrying out its operations
14 set out in sections 5 through 9 of this act.

15

16 3. a. There is established the Office of Small Business
17 Advisory Services in the New Jersey Business Action Center within
18 the Department of State. The Office shall serve as the primary
19 coordinating entity between the NAICCO, the NJSBGC, and State
20 agencies to facilitate the implementation of all programs, reporting
21 obligations, and collaborative activities established pursuant to this
22 act.

23 b. The NAICCO and NJSBGC are formally recognized as
24 official advisory partners to the Office of Small Business Advisory
25 Services on matters pertaining to small business policy, economic
26 development, regulatory affairs, and State procurement.

27 c. The Office of Small Business Advisory Services shall, with
28 the NAICCO and NJSBGC:

29 (1) submit formal policy recommendations to the Governor, the
30 Legislature, and State agencies;

31 (2) participate in State hearings, rulemaking proceedings, and
32 legislative committee sessions pertaining to relevant legislation and
33 administrative rules;

34 (3) receive appropriated State funds as provided in section 11 of
35 this act; and

36 (4) produce and submit reports, assessments, and
37 recommendations pursuant to sections 5, 6, 8, 9, and 12 of this act.

38 d. The Office of Small Business Advisory Services shall
39 concentrate on the following areas of policy:

40 (1) streamlining and simplifying State grant applications, with
41 particular attention on the standardization of application forms, the
42 reduction of documentation requirements, and plain-language
43 guidance;

44 (2) recommending statutory and administrative reform to reduce
45 approval timelines for small business funding applications,
46 including the establishment of mandatory decisions timelines, and
47 automatic approval mechanisms where appropriate;

1 (3) formulating targeted tax relief measures applicable to the
2 first three to five years of a small business' operation, including, but
3 not limited to, abatements, credits, or deferral mechanisms;

4 (4) recommending plans to foster the expansion, restructuring,
5 and increased capitalization of State-backed microloan programs,
6 with specific focus on underserved entrepreneurs including but not
7 limited to, minority-owned, women-owned, veteran-owned, and
8 immigrant-owned small businesses;

9 (5) recommending improvements for small business access to
10 and participation in, State procurement processes, including set-
11 aside programs, simplified bid procedures, and technical assistance;
12 and

13 (6) identifying regulations that are outdated, duplicative, or
14 disproportionately burdensome for small businesses.
15

16 4. a. The Governor shall appoint a Director of the Office of
17 Small Business Advisory Services.

18 b. The Director of the Office of Small Business Advisory
19 Services shall be an individual with demonstrated expertise in
20 business policy, economic development, or public administration
21 and shall be responsible for administering and implementing this
22 act.
23

24 5. a. The Office of Small Business Advisory Services shall, in
25 consultation with the NAICCO and NJSBGC, prepare and submit a
26 small business impact report for bills, resolutions, and proposed
27 rules to the relevant Legislative committees or State agencies no
28 later than 20 calendar days following the introduction of relevant
29 legislation or publication of a proposed rule.

30 b. The small business impact report shall address:

31 (1) the estimated number of small businesses in this State that
32 would be directly or indirectly affected by the pending legislation or
33 rule;

34 (2) the projected economic impact, including effects on
35 revenues, costs, employment, and capital investment;

36 (3) the anticipated regulatory burden, including new compliance
37 obligations, licensing requirements, or reporting mandates;

38 (4) an assessment of operational challenges that the proposed
39 legislation or rule may impose upon small businesses; and

40 (5) recommended modifications or alternatives that would
41 reduce adverse impacts while achieving the Legislature's or
42 agency's stated policy objectives.

43 c. The NAICCO and the NJSBGC shall retain independent
44 authority to submit their own impact assessment evaluating relevant
45 legislation and proposed rules.

46 d. Prior to any floor vote on relevant legislation, the presiding
47 officer of each house shall ensure that the small business impact
48 report and any independent advisory assessment submitted pursuant

1 to this section are made available to all members of that house. The
2 Legislature shall formally consider such reports in its deliberations.

3 e. The requirements of this section shall not apply to
4 appropriations bills, emergency legislation enacted pursuant to law,
5 or legislation determined by a two-thirds vote of each house to be
6 exempt on grounds of urgent public necessity, provided that any
7 such determination is set forth in writing with specific findings.

8 f. Nothing in this act shall be construed to limit the authority
9 of the Governor, Legislature, or State agency to enact or promulgate
10 a law, rule, or regulation without recommendation from the Office
11 of Small Business Advisory Services.

12

13 6. a. The Office of Small Business Advisory Services shall
14 operate a formal, statewide feedback system designed to collect,
15 analyze, and transmit small business perspectives on state
16 programs, regulations, and policies to the Legislature and the
17 Governor according to the requirements pursuant to subsection e. of
18 this section.

19 b. The Office of Small Business Advisory Services shall
20 conduct a minimum of four regional listening sessions per calendar
21 year, geographically distributed across the State to ensure equitable
22 representation of small businesses in urban, suburban, and rural
23 areas. Each listening session shall:

24 (1) be open to all small businesses operating in the State;

25 (2) be noticed to the public no fewer than 14 calendar days prior
26 to the date of the meeting;

27 (3) be accessible in person, and provide online access to the
28 meeting via an electronic link;

29 (4) address topics, including but not limited to regulatory pain
30 points, grant access, procurement challenges, workforce
31 development, and State agency responsiveness; and

32 (5) have a representative from the NAICCO and NJSBGC at
33 each meeting.

34 c. The Office of Small Business Advisory Services shall
35 maintain an ongoing, systemic program of data collection on
36 frequently cited regulatory issues compliance burdens, funding
37 gaps, and programmatic inefficiencies experienced by small
38 businesses. Data collection methods may include surveys, focus
39 groups, direct business interviews, and analysis of publicly
40 available State data.

41 d. The Office of Small Business Advisory Services shall
42 establish and maintain a publicly accessible digital portal through
43 which small businesses may submit feedback on State programs and
44 policies on a continuous basis.

45 e. The Office Small Business Advisory Services, in
46 collaboration with the NAICCO and NJSBGC, shall submit a
47 written summary of the feedback system findings to the Governor
48 and the Legislature pursuant to section 2 of P.L. 1991, c.164

1 (C.52:14-19.1). The summaries shall be due on January 15th and
2 July 15th each year. The summaries shall include aggregated data
3 collected from the feedback system channels, themes of small
4 business concerns, and preliminary policy recommendations.

5
6 7. a. The Office of Small Business Advisory Services shall
7 enter into an interagency memorandum of agreement with each of
8 the following entities:

9 (1) the New Jersey Economic Development Authority;

10 (2) the New Jersey Department of Labor and Workforce
11 Development;

12 (3) the Division of Purchase and Property in the Department of
13 the Treasury;

14 (4) the Department of Consumer Affairs; and

15 (5) any other State agency that the director of the Office has
16 determined to administer programs or regulatory schemes
17 materially affecting small businesses.

18 b. The interagency memorandum of agreement shall:

19 (1) designate a senior liaison to serve as the primary point of
20 contact between the agency, the Office of Small Business Advisory
21 Services, the NAICCO, and the NJSGBC;

22 (2) designate a representative who shall attend each of the
23 regional listening sessions hosted by the Office of Small Business
24 Advisory Services;

25 (3) facilitate the Office of Small Business Advisory's access to
26 relevant program data, rulemaking databases, and procurement
27 information; and

28 (4) require the agency to submit an annual report to the director
29 of the Office of Small Business Advisory Services outlining the
30 agency's small business engagement activities. The first report
31 shall be due one year after the date of enactment.

32 c. State agencies shall, to the extent permitted by law and
33 consistent with privacy protections, share program outcome data,
34 application statistics, and regulatory compliance data with the
35 Office of Small Business Advisory Services for the purposes of
36 impact assessment and policy development.

37
38 8. a. There is established the Red Tape Reduction Task within
39 the Office of Small Business Advisory Services.

40 b. The Red Tape Reduction Task Force shall consist of 13
41 members:

42 (1) two co-chairs appointed jointly by the NAICCO and then
43 NJSBGC; the Director of the Office of Small Business Advisory
44 Services, ex officio, or a designee;

45 (2) one member appointed by the New Jersey Economic
46 Development Authority;

47 (3) one member appointed by the New Jersey Business Action
48 Center;

- 1 (4) one member appointed by the New Jersey Department of
- 2 Labor and Workforce Development;
- 3 (5) one member appointed by the Department of the Treasury,
- 4 Division of Purchase and Property;
- 5 (6) one member appointed by the New Jersey Department of
- 6 Community Affairs;
- 7 (7) three public members appointed by the Governor with regard
- 8 to geographic, industrial, and demographic diversity;
- 9 (8) one public member appointed by the President of the Senate;
- 10 and
- 11 (9) one public member appointed by the Speaker of the General
- 12 Assembly.
- 13 c. The task force shall organize itself within 15 days after the
- 14 appointment of its members. The task force shall elect a vice-
- 15 chairperson from among its members and shall appoint a secretary
- 16 who need not be a member of the task force. No determination,
- 17 decision or action of the task force shall be made or taken unless a
- 18 majority of its members vote in favor of the action. The Office of
- 19 Small Business Advisory Services, and the New Jersey Business
- 20 Action Center shall provide staff to serve as administrative support
- 21 to the task force.
- 22 d. Each member of the task force shall serve a two-year term
- 23 and may be reappointed.
- 24 e. The task force shall:
- 25 (1) conduct a systemic review of State statutes, administrative
- 26 rules, and regulations that impose requirements upon small
- 27 businesses;
- 28 (2) identify regulations and statutory provisions that are
- 29 outdated, duplicative, inconsistent, or disproportionately
- 30 burdensome upon small businesses relative to the public benefit
- 31 achieved;
- 32 (3) consult with small business owners, industry associations,
- 33 and State agency personnel while conducting these reviews;
- 34 (4) develop specific, actionable, recommendations for
- 35 regulatory reform, including proposed legislative changes,
- 36 regulatory amendments, and administrative streamlining measures.
- 37 e. The Red Tape Task Force shall submit an annual report to
- 38 the Governor, the President of the Senate, the Speaker of the
- 39 General Assembly, and the Director of the Office of Small Business
- 40 Advisory one year from the organization of the task force and each
- 41 following year. The annual report shall include:
- 42 (1) a summary of the task force's review during the preceding
- 43 year;
- 44 (2) a list of specific regulations and statutory provisions
- 45 recommended for elimination, modification, or consolidation;
- 46 (3) the estimated regulatory cost savings projected to accrue to
- 47 small businesses upon implementation of the recommendations; and

1 (4) legislative or administrative actions taken in response to
2 prior recommendations.

3

4 9. a. The Office of Small Business Advisory Services shall
5 review State procurement policies, procedures, and contract award
6 data, and submit recommendations to the Division of Purchase and
7 Property in the Department of the Treasury for improvements to the
8 State procurement processes that would increase the participation of
9 small businesses in State contracts.

10 b. Pursuant to subsection a. of this section, the Office of Small
11 Business Advisory Services shall submit to the Division of
12 Purchase and Property a written procurement access report for the
13 prior fiscal year no later than March 31 of each calendar year
14 following enactment. The report shall include:

15 (1) an analysis of small business participation rates in State
16 contracting by agency, contract type, and industry sector;

17 (2) identified barriers to small business participation in State
18 procurement;

19 (3) specific recommendations for regulatory, procedural, or
20 programmatic reforms to increase small business participation and
21 access; and

22 (4) recommendations for revisions to bid thresholds, set-aside
23 programs, or qualification criteria.

24 c. The Division of Purchase and Property shall, within 90
25 calendar days of receipt of the procurement access report written
26 pursuant to subsection b. of this section shall, provide a written
27 response to the Office of Small Business Advisory Services
28 indicating the status of each recommendation.

29 d. The annual procurement access report written pursuant to
30 subsection b. of this section shall also be transmitted to members of
31 the Senate Commerce Committee and the Assembly Commerce and
32 Economic Development Committee upon submission.

33

34 10. a. There is established in the General Fund, a dedicated, non-
35 lapsing fund to be known as the "Small Business Advisory and
36 Accountability Fund."

37 b. The fund shall be administered by the director of the Office
38 of Small Business Advisory Services to compensate the Office of
39 Small Business Advisory Services staff and to carry out the
40 functions of the Office of Small Business Advisory described in
41 sections 5 through 10 and section 12 of this act.

42 c. The sum of \$2,500,000 is appropriated from the General
43 Fund to the Small Business Advisory and Accountability Fund for
44 the fiscal year this act takes effect.

45 d. The Director of the Office of Small Business Advisory
46 Services shall:

47 (1) maintain complete and accurate books and records of all
48 fund receipts and disbursements;

- 1 (2) prepare and submit to the Governor, the President of the
2 Senate, and the Speaker of the General Assembly an annual
3 financial report detailing all expenditures from the fund no later
4 than March 31 of each calendar year;
- 5 (3) make public any independent audit of the “Small Business
6 Advisory and Accountability Fund” by a certified public accounting
7 firm; and
- 8 (4) establish written internal controls and procurement
9 procedures for Fund expenditures.
- 10 e. No monies from the Small Business Advisory and
11 Accountability Fund shall be expended for:
- 12 (1) partisan political activities or lobbying of the Legislature by
13 the NAICCO and NJSBGC or the Office of Small Business
14 Advisory Services in a manner not directly related to the execution
15 of duties under this act;
- 16 (2) compensation of members of the Legislature or officers of
17 the Executive Branch; and
- 18 (3) any purpose not enumerated in subsection e. of this section.
19
- 20 11. a. No later than January 31st of each calendar year, the
21 Director of the Office of Small Business Advisory Services, in
22 collaboration with the NAICCO and NJSBGC shall submit a
23 comprehensive annual report to the Government, the President of
24 the Senate, and the Speaker of the General Assembly. The annual
25 report shall include:
- 26 (1) a description of all activities undertaken by the Office and
27 the Advisory Bodies during the preceding calendar year;
- 28 (2) a summary of all Small Business Impact Reports prepared
29 pursuant to section 4 of this act;
- 30 (3) a summary of all Feedback System data collected pursuant to
31 section 5 of this act, including key trends, most frequently cited
32 regulatory pain points, and geographic variations;
- 33 (4) all formal policy recommendations submitted pursuant to
34 section 7 of this act, together with the responses received;
- 35 (5) the Annual Report of the Red Tape Reduction Task Force
36 pursuant to subsection e. of section 8 of this act;
- 37 (6) the Annual Procurement Access Report submitted pursuant
38 to subsection b. of section 9 of this act;
- 39 (7) a financial accounting of all Fund expenditures during the
40 preceding calendar year;
- 41 (8) measurable outcome data, where available, demonstrating
42 the impact of this act on small businesses, including but not limited
43 to regulatory burden reductions, improvements in State grant
44 approval rates, and increases in small business State procurement
45 participation; and
- 46 (9) recommendations for legislative or administrative action in
47 the coming year.

