



## Legislation Text

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File #: 24-0777, Version: 1

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**Dept/ Agency:** Offices of Municipal Council/City Clerk

**Action:** ( ) Ratifying (X) Authorizing ( ) Amending

**Type of Service:** Urging support on the findings of the New Jersey State Disparity Study

**Purpose:** To urge the Governor, State Senate and State Assembly to adopt race and gender-conscious programs and statutes to promote equitable and inclusive state procurement practices to remedy the overwhelming disparities in such practices.

**Sponsor:** Council Member, C. Lawrence Crump

**Additional Information:**

**WHEREAS**, in 2020, the Governor of the State of New Jersey authorized the Department of Treasury to perform a Disparity Study on the State procurement process; and

**WHEREAS**, organizations such as the New Jersey Legislative Black Caucus, the African-American Chamber of Commerce of New Jersey, the Statewide Hispanic Chamber of Commerce, State Veterans Chamber of Commerce, the New Jersey Chamber of Commerce and others, urged and encouraged the State to complete the Disparity Study; and

**WHEREAS**, on January 12, 2024, the State of New Jersey finally released the findings of the Disparity Study; and

**WHEREAS**, the study analyzed more than two hundred forty-thousand (240,000) contracts involving more than sixty (60) different state agencies from 2015 to 2020; and

**WHEREAS**, the contracts reviewed were Construction, Professional Services and Goods and Services; and

**WHEREAS**, the Disparity Study revealed what many of us already knew, that the inequities in public contract opportunities for minority, veteran and women-owned businesses in New Jersey are egregiously significant; and

**WHEREAS**, a substantial majority of state-awarded contracts for goods and services go to businesses owned by white men; and

**WHEREAS**, even though Black-owned companies in New Jersey represent 9.19% of the available construction businesses, they receive only .014% of the dollars of construction contracts; and

**WHEREAS**, nearly 28% of construction firms in the state are minority-owned, they received just 3.47% of state-awarded funds for prime construction contracts valued up to \$5.7 Million; and

**WHEREAS**, women-owned businesses comprised nearly 38% of all professional services

firms, but received less than 10% of contracts up to \$800,000.00; and

**WHEREAS**, the Municipal Council urges the Governor, State Senate and State Assembly to adopt race and gender-conscious programs and statutes to promote equitable and inclusive state procurement practices and ultimately remedy the overwhelming disparities in such practices.

**NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:**

1. The Municipal Council urges the Governor, State Senate and State Assembly to adopt the necessary race and gender-conscious programs to provide solutions for the unacceptable disparities among state-issued contracts.
2. Monitor state procurement contracts and provide semi-annual comprehensive reports on the progress and effectiveness of the race and gender-conscious programs.
3. Conduct training for all state procurement professionals on defining the good-faith effort and small and diverse utilization.
4. Copies of this Resolution shall be sent to the Governor of the State of New Jersey, Senate President and State Assembly Speaker.

### **STATEMENT**

This Resolution declares the Municipal Council support of the findings of the New Jersey State Disparity Study and urges the Governor, State Senate and State Assembly to adopt race and gender-conscious programs and statutes to promote equitable and inclusive state procurement practices to ultimately remedy the overwhelming disparities in such practices.