SENATE COMMERCE COMMITTEE

STATEMENT TO

# SENATE JOINT RESOLUTION No. 122

with committee amendments

# STATE OF NEW JERSEY

DATED: JUNE 10, 2024

The Senate Commerce Committee reports favorably and with committee amendments Senate Joint Resolution No. 122.

As amended, this joint resolution designates the month of July of each year as "Diverse Business Month" in support of diverse-owned businesses in the State of New Jersey.

Businesses owned by persons of color, women, veterans, and members of the LGBTQ+ community are an essential part of New Jersey's economy. Persons of color own 21.7 percent of business in the State, while women and veterans own 39.6 and 4.2 percent of the State's businesses, respectively. With the signing of Executive Order No. 295 by Governor Murphy and the passage of P.L.2024, c.10, which allows certain businesses to be certified as an LGBTQ+ owned business, more than 150 business in the State are also LGBTQ+ certified businesses. The large number of diverse-owned businesses in the State also contributes to the significant economic output that diverse-owned businesses provide nationally. Among businesses owned by persons of color alone, over $1.3 trillion in receipts were generated nationally in 2020, according to the United States Census Bureau.

Despite their large economic impact, diverse-owned businesses in the State continue to face certain challenges to growth, including limited access to capital. Additionally, a Statewide study examining the availability and utilization of State contracting opportunities for diverse-owned businesses found significant disparities for diverse-owned businesses in formal prime contracts for construction, professional services, and general goods and services.

It is thus in the public interest of New Jersey to raise awareness of the positive economic impact of businesses owned by persons of color, women, veterans, and members of the LGBTQ+ community and to focus on ways to support diverse-owned businesses. The observance of a "Diverse Business Month" each year will provide an opportunity for government officials, community leaders, and

business leaders to focus on ways to support diverse business owners and to help them succeed.

COMMITTEE AMENDMENTS

The committee amended the joint resolution to modify the preamble.