APPENDIX

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To: Chairwoman Cruz-Perez, Vice-Chairwoman Turner & Members of the Senate Economic Growth Committee

From: Christopher Emigholz, NJBIA Chief Government Affairs Officer

Date: May 21, 2026

RE: NJBIA Testimony to Senate Economic Growth Committee on How to Grow the New Jersey Economy

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Good morning! My name is Christopher Emigholz, and I am the Chief Government Affairs Officer for the New Jersey Business & Industry Association (NJBIA). On behalf of our member companies that make NJBIA the largest and most impactful business association in our state, thank you to Chairwoman Cruz-Perez for giving business organizations this important opportunity to speak about how we can make the New Jersey economy more competitive, grow jobs here and improve opportunities for all New Jerseyans.

New Jersey possesses extraordinary economic assets: a highly educated workforce, strategic geographic location, world-class research institutions, leading pharmaceutical and logistics sectors, and proximity to major global markets. Yet despite these strengths, job creation in New Jersey continues to lag as evidenced by having an unemployment rate among the worst in the nation at 4.9%, 14% worse than the national average, 7% worse than New York's and almost 17% worse than Pennsylvania's rate. In part, this is because New Jersey businesses face significant affordability and competitiveness challenges that make it more difficult to attract investment, grow businesses, and retain residents.

To achieve sustained economic growth, policymakers must pursue five broad priorities with a comprehensive, aligned and interconnected plan:

- Workforce Development
- Infrastructure Investment
- Innovation & Manufacturing Growth
- Affordability & Tax Competitiveness
- Regulatory Modernization & Government Efficiency

Workforce Development Must Better Align with Employer Needs & Itself

New Jersey employers across nearly every industry continue to report workforce shortages and skills gaps. These shortages affect healthcare, manufacturing, construction, transportation, hospitality, utilities, technology, and public-facing government services.

The challenge is not funding, because New Jersey already invests substantial resources into workforce development through multiple departments, programs, boards, and initiatives. The greater challenge is coordination and alignment with employer demand.

The state should:

- Better align workforce development resources across departments and agencies
- Expand employer-led apprenticeship and work-based learning programs
- Strengthen partnerships between employers, county colleges, vocational schools, and labor organizations.
- Increase support for industry-recognized credentials and rapid upskilling programs
- Improve awareness and accessibility of existing workforce training grants for small businesses

Employers should play a greater role in shaping training programs so workers are being prepared for actual jobs that exist in New Jersey's economy today and tomorrow. Simply put, workforce programs succeed when employers help design them.

New Jersey Must Invest in Infrastructure That Supports Growth

Simply put – build, build, build, because economic growth requires physical capacity.

That means New Jersey must continue investing in transportation infrastructure, housing, energy generation, water systems, broadband, and logistics networks that support both residents and employers.

Housing affordability has become one of the most significant barriers to workforce attraction and retention. Employers increasingly report difficulty recruiting workers because employees cannot afford to live near jobs.

The state should:

- Encourage construction of workforce housing
- Support redevelopment and adaptive reuse projects
- Streamline local and state approval processes
- Promote transit-oriented development near existing infrastructure

Energy infrastructure is equally critical. New Jersey cannot expand housing, electrify transportation, grow manufacturing, or support emerging industries like AI and data infrastructure without significantly increasing energy supply and grid reliability.

To create jobs and support energy affordability, because affordable and reliable energy is foundational to economic competitiveness, the state should pursue an "all-of-the-above" energy strategy that includes:

- Nuclear energy
- Renewable energy
- Grid modernization
- Transmission upgrades
- Storage technologies
- And the under-prioritized natural gas – both modernizing existing facilities and expansion.

Innovation & Manufacturing Must Remain a State Priority
Innovation has long been a defining strength of New Jersey's economy and reclaiming New Jersey's spot as the innovation state is even in NJBIA's vision statement.

The state should continue investing in sectors where New Jersey maintains global advantages, including:

- Advanced manufacturing
- Life sciences
- Biotechnology
- Film and media
- Logistics
- Clean energy technologies
- Artificial intelligence
- And research commercialization

Manufacturing remains especially important in the innovation ecosystem because it supports high-paying jobs, supply chain activity, exports, and regional economic stability. Towards that, NJBIA strongly supports restoring budget funding for the New Jersey Manufacturing Extension Program (NJMEP), which has played a vital role helping manufacturers enhance their workforce, improve productivity, adopt modern technologies, strengthen cybersecurity, and retain jobs.

The state should also consider restoring a modernized version of the Manufacturing Voucher Program (MVP), which previously helped small and mid-sized manufacturers invest in equipment, innovation, and operational modernization.

Strategic investments in manufacturing generate multiplier effects throughout the broader economy and strengthen New Jersey's long-term competitiveness.

New Jersey Must Become More Affordable
Affordability remains the single greatest economic challenge facing New Jersey businesses and residents. Employers continue to face:

- High energy costs
- Rising healthcare costs
- Highest-in-the-nation property tax burdens
- Highest-in-the-nation corporate taxes
- Elevated workforce costs
- Higher housing costs for its workforce
- Increasing regulatory compliance expenses

At the same time as already being just one of two states (New Jersey and Maryland) in our nation with the unique burden of being in the top third of each of the four major taxes, the proposed FY27 budget includes several tax increases and assessments that would further increase costs on employers during a period of economic uncertainty. Economic growth requires a stable and competitive tax environment, not the threat of new taxes every year that undermine tax planning and business investment.

New Jersey should:

- Hold the line on state spending growth to ever have a chance to get the need for higher taxes under control
- Avoid new employer assessments and business tax increases
- Pursue long-term structural reforms to lower property taxes
- Reduce healthcare cost pressures where possible

- Develop a plan today to place the state on a path toward sunsetting the highest corporate tax rate in the nation

Businesses do not experience cost-increasing mandates and taxes individually. They experience them cumulatively. Even well-intentioned policies can collectively discourage investment, expansion, hiring, and location decisions if affordability challenges continue to worsen.

Regulatory Reform & Government Efficiency Are Essential

Finally, New Jersey must continue modernizing its regulatory environment and improving government responsiveness.

Toward that, NJBIA strongly supports Governor Mikie Sherrill's focus on improving government efficiency, transparency and responsiveness through her "Saving Time & Money Agenda." Businesses consistently report that delays, uncertainty, duplicative reviews, and inconsistent permitting processes increase costs and make investment decisions more difficult. The state should maintain the proposed FY27 state budget investments in:

- Permit modernization
- Licensing reform
- Greater transparency and accountability
- Digital government systems
- Interagency coordination
- Small business support through the New Jersey Business Action Center
- Stronger customer service standards

NJBIA also thanks the Legislature for advancing regulatory reform efforts aligning to the Governor's efforts. A more transparent, predictable, and efficient regulatory system benefits businesses of all sizes while improving overall public confidence in government operations thus 'saving all of us time and money' to make New Jersey more competitive.

Rolling back the recently enacted flood rules would be a welcome sign that we are going in the right direction to ease the regulatory burden, but the recently adopted ABC rules for independent contractors are just the opposite and show that New Jersey still stubbornly cannot get out of the way of economic growth.

Conclusion

New Jersey's economic future depends on whether we make it easier to build, hire, invest, innovate, and grow. The state has extraordinary assets and opportunities, but they need to be unleashed because economic competitiveness cannot be taken for granted.

By focusing on workforce alignment, infrastructure capacity, innovation, affordability, and regulatory modernization, New Jersey can position itself for stronger long-term economic growth while improving quality of life for both employers and residents.

Thank you for the opportunity to provide testimony, and NJBIA looks forward to continuing to partner with policymakers to grow the New Jersey economy!

submitted by JESS NIEDERER

NEW JERSEY ORGANIC AND REGENERATIVE FARM OWNER SURVEY REPORT

2025

THE ORGANIC AND REGENERATIVE FARMING BOARD OF NEW JERSEY

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Executive Summary

About this report

The survey was conducted to describe organic and regenerative farming in NJ and what the farmers most need to be successful. Who are they? Where are they farming, and on what scale? What do they grow? Are they satisfied with the profitability of their farms? What do they need to be better businesspeople? What do they need to be better land managers? The answers are here.

The first half of the results describe our farmers and their farms. The second half reports upon their challenges, priorities, and the services they have found most useful.

This is a report of the needs assessment survey conducted by the Organic and Regenerative Farming Board of New Jersey (ORFBNJ) in January and February 2025. We are grateful for the essential partnership of Meredith Melendez of Rutgers University Cooperative Extension to refine the survey and deliver it through the University's research protocols.

The survey included responses from over 200 individuals. This report is of a selection of data from Farm Business Owners only. Data shown is marked with the number of respondents (n). We also collected data from farm employees and from agricultural service providers, and that is not shown here. To our knowledge, this is the most complete survey of organic and regenerative farmers and their needs that has been conducted in any state in the Northeast.

In the following pages, you will find that the data and graphics paint a picture. You will see that New Jersey's organic and regenerative farmers are overall young, diverse, and new to farming. They grow most things you can think of, but concentrate heavily on fast growing specialty crops. They have needs that are not being met by existing support services within the state, but the information that they have shared with us will allow NJ legislators, the Department of Agriculture, Rutgers Cooperative Extension, and the wealth of nonprofit service providers in our state better serve these farmers.

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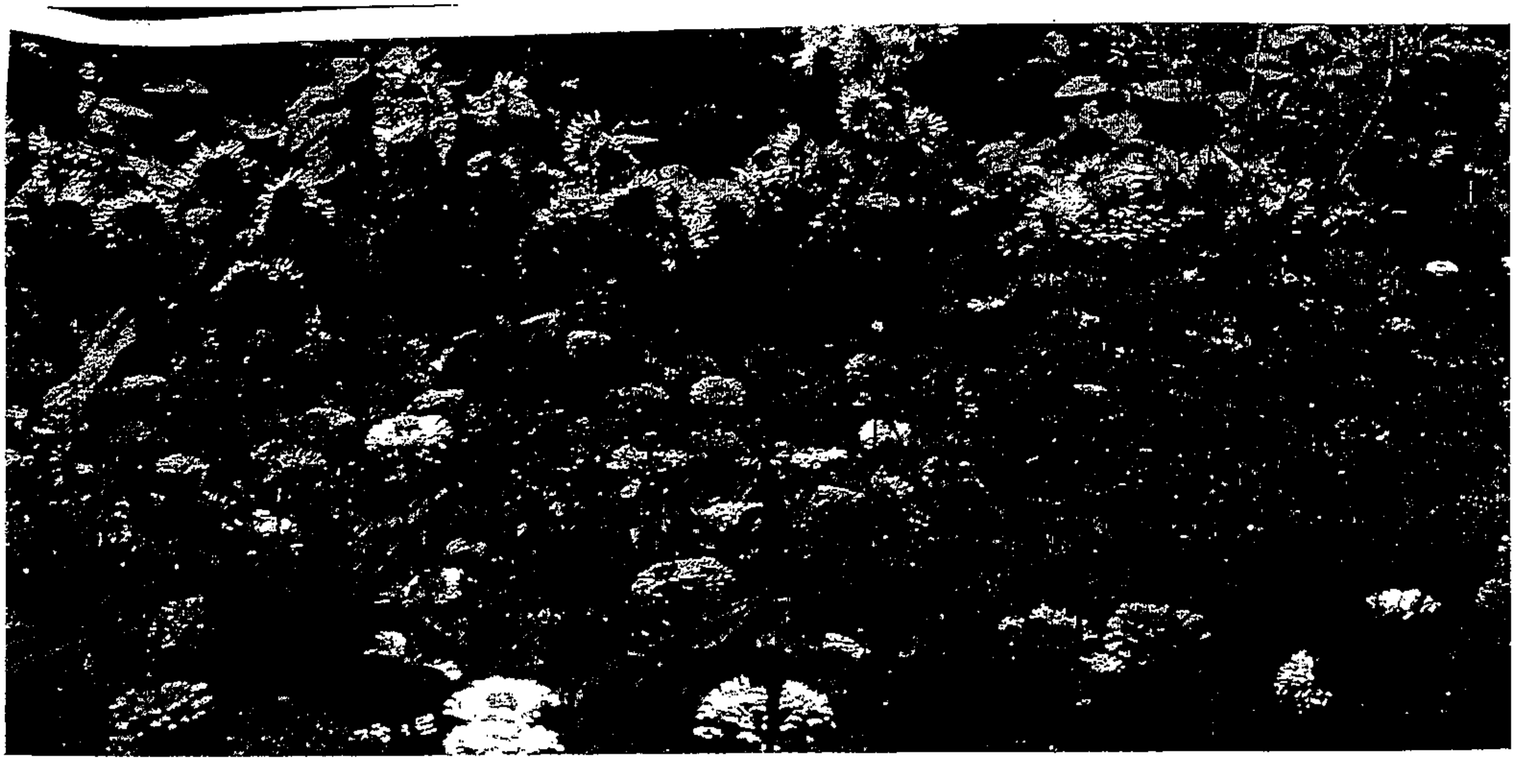

Key Findings

- The cost of farmland is the largest barrier for farmers.
- Many of these farmers concentrate on enterprises that have a low cost of entry.
- Direct sales to individual customers is overwhelmingly how these farmers sell their products.
- Extreme weather is a major concern.
- A higher chance of profitability is linked to being a business sized to employ and manage 11-20 people, indicating the need for business and management skills.
- Lower profitability farms report less engagement with support services, suggesting that improved outreach and support could have a significant impact.

Why support farmers?

The Garden State is the most densely populated state in the nation. Thriving farms are better able to withstand development pressure and to promote the food security of the communities around them. Farmland buffers our towns against floodwater effects, contributes to carbon sequestration, beautifies our landscape, offers wholesome recreational opportunities and provides meaningful jobs.

The manifold benefits of farms to our communities are undeniable. Yet we see from the survey that the majority of these farmers struggle to financially sustain farm businesses. The results of this survey should be used to put resources in the directions that they will do the most good for farmers, with spin off benefits that are good for all Jerseyans.

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Who Are New Jersey's Regenerative Farmers?

"Regenerative farming" means farming and grazing practices that:

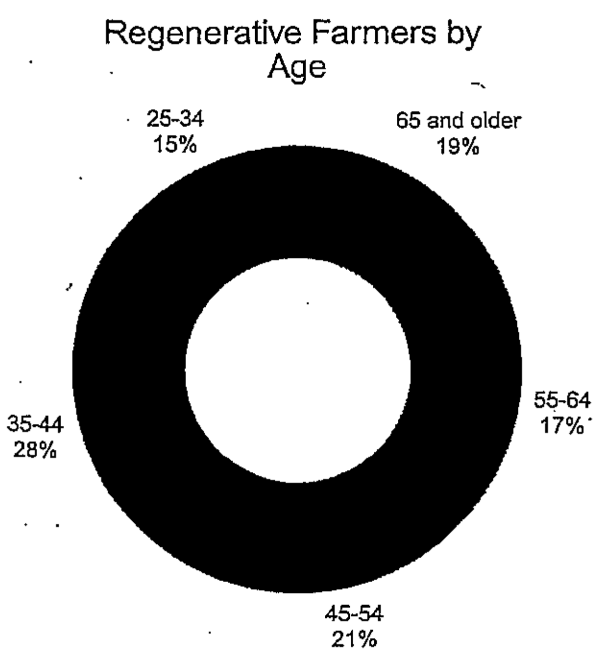
- prioritize soil health and ecosystem health,
- reduce reliance on synthetic inputs,
- reverse climate change by rebuilding soil organic matter, sequestering carbon, and restoring degraded soil biodiversity, and
- (engage in conservation practices to ensure the long-term health of the farm's ecosystem, among many benefits.

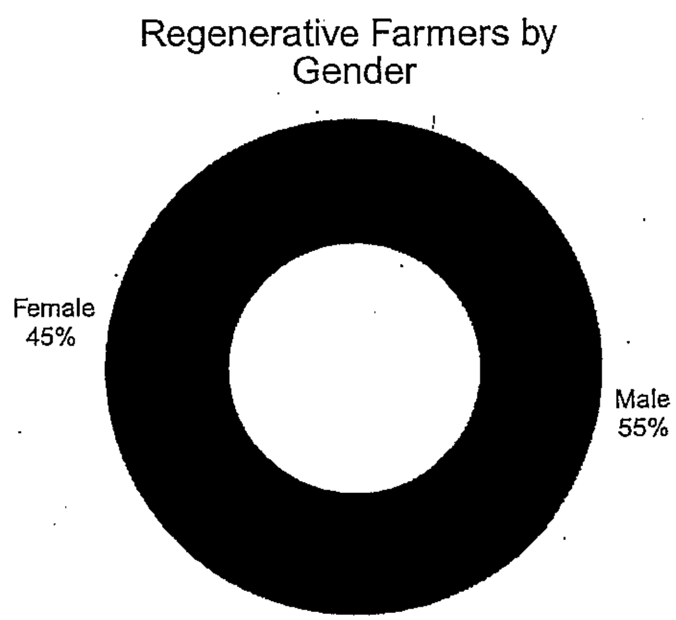
The age of regenerative and organic farm owners in New Jersey reveals a notably younger profile than that of the overall agricultural sector as reported by the 2022 Census of Agriculture data for New Jersey. While the average age of all farm producers in New Jersey stands at 58.7 years, the average among regenerative farmers surveyed is closer to 50, almost a decade younger.

This skew toward younger producers is evident in the detailed breakdown: 28% of regenerative farmers are aged 35–44, and 21% are between 45 and 54. Another 15% are aged 25–34, more than double the statewide average, 6.1%, for that group. By contrast, only 36% of regenerative farmers fall into the older brackets of 55–64 and 65+, compared to 66.4% of all NJ producers.

Nearly 45% of regenerative farm owners in the sample identify as female, significantly higher than the 38% reported among all producers statewide and the 36.3% share at the national level.

Age and Gender





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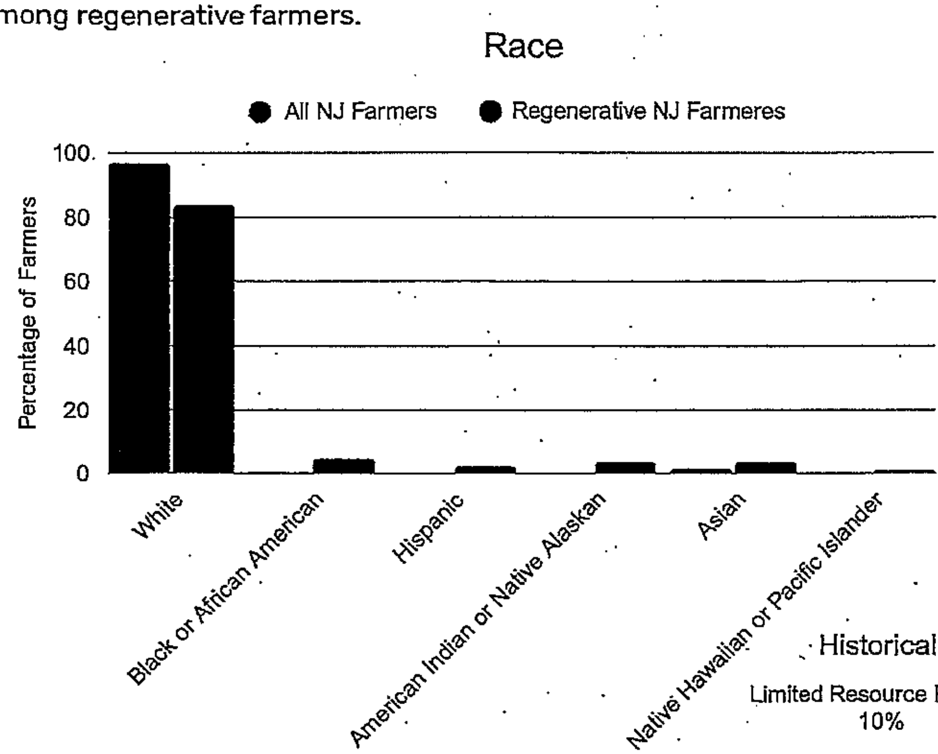
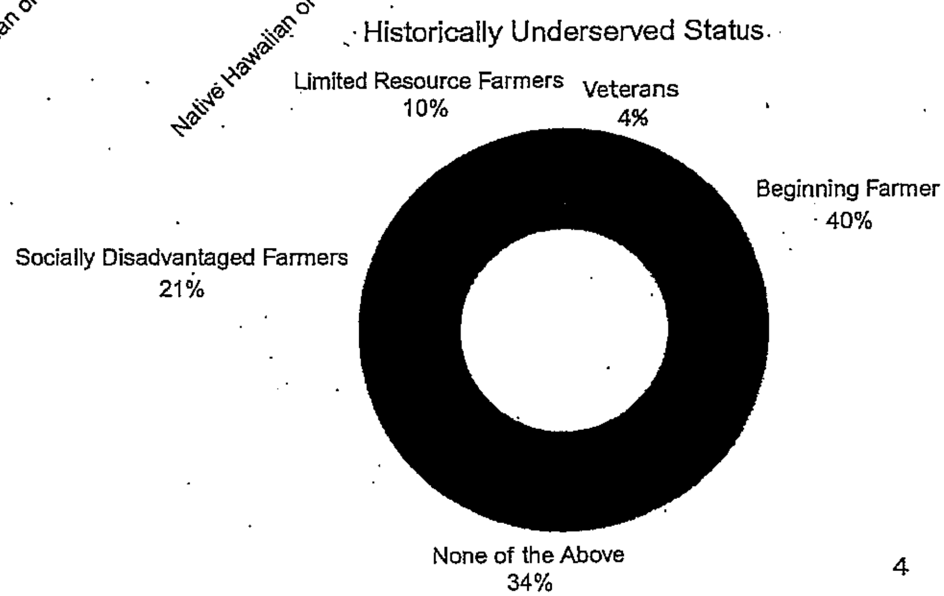
Race & Historically Underserved Status

White farmers make up 97% of New Jersey's total farmers according to the 2022 USDA Census of Agriculture, while they account for 84% of surveyed regenerative farmers. This indicates that regenerative farmers are a notably more diverse population than the state's farming community as a whole.

Regenerative farmers include relatively higher proportions of historically underrepresented racial and ethnic groups: Black farmers represent 4.8% of the sample (compared to 0.5% statewide), while both American Indian, Native Alaskan, and Asian farmers each comprise 3.6% (versus 0.2% and 1.7%, respectively). Hispanic farmers, though not broken out in USDA state-level reporting, make up 2.4% of regenerative owners. This data points to a growing and more inclusive generation of farmers in the regenerative sector. These farmers often face compounded barriers, particularly when it comes to land access, startup capital, and navigating support systems.

This increased diversity is mirrored in experience levels as well. While 29.96% of all New Jersey producers are classified as beginner farmers (those with fewer than 10 years of experience), that number rises to 40.4% among regenerative farmers.





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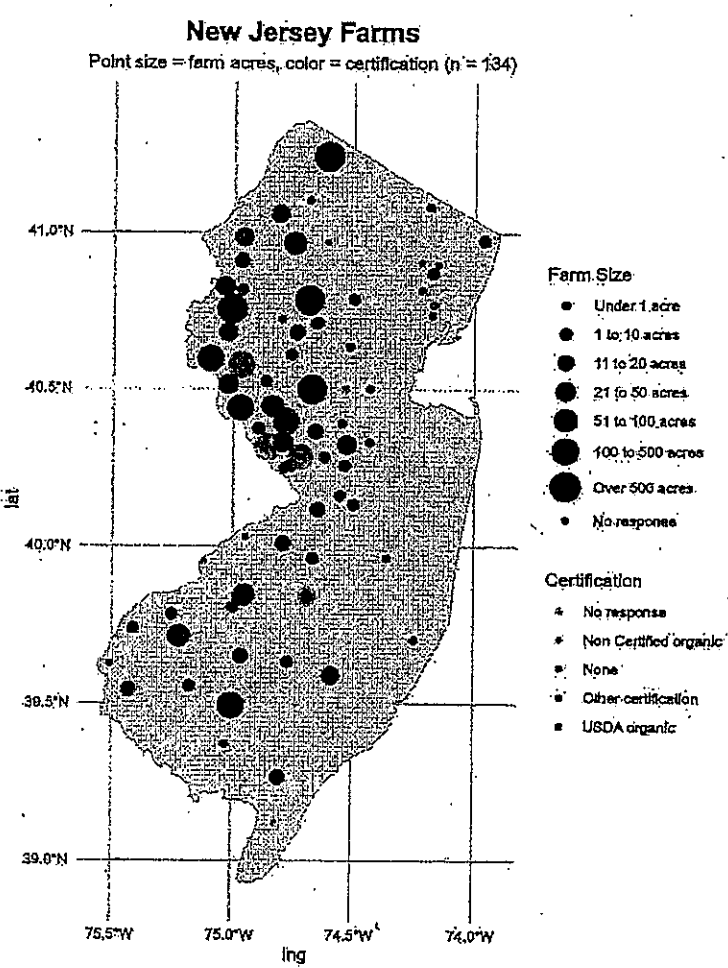
Where are New Jersey's Regenerative Farms?

Organic Regenerative Farm Map Displaying Farm Size and Certification Status



Interactive NJ Map displaying

- profitability
- annual revenue brackets
- farm demographics

SCAN HERE

Interactive NJ Map displaying

- %of beginning farmer
- %of owned land
- farms by gender and revenue

SCAN HERE

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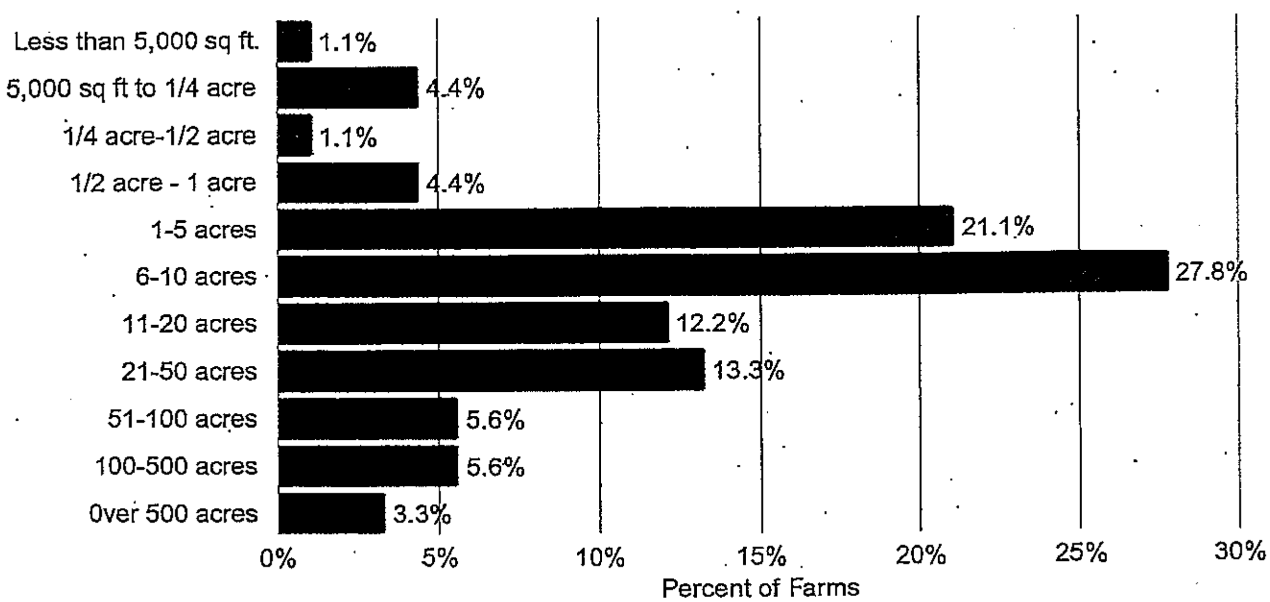
What do New Jersey's Regenerative Farms look like?

Organic Regenerative Farm Size Distribution by Acreage

When compared to the 2022 Census of Agriculture data for New Jersey, organic and regenerative farms appear notably smaller in scale. Census data shows 17% of all New Jersey farms are 100 acres or more, while in the regenerative sample only 8.9% exceed 100 acres. Conversely, the share of farms under 10 acres is substantially higher in our sample than in the statewide farm distribution (59.9% versus 28.5%).

Given that more than ¼ of all NJ farms report that they are 10 acres or less, state agencies and support providers should demonstrate a strong focus on the realities of farming for smaller scale operations. Markets, equipment, input purchasing, labor, diversification, and other needs for smaller farms vary significantly from larger counterparts.

Regenerative Farm Size Distribution by Acreage



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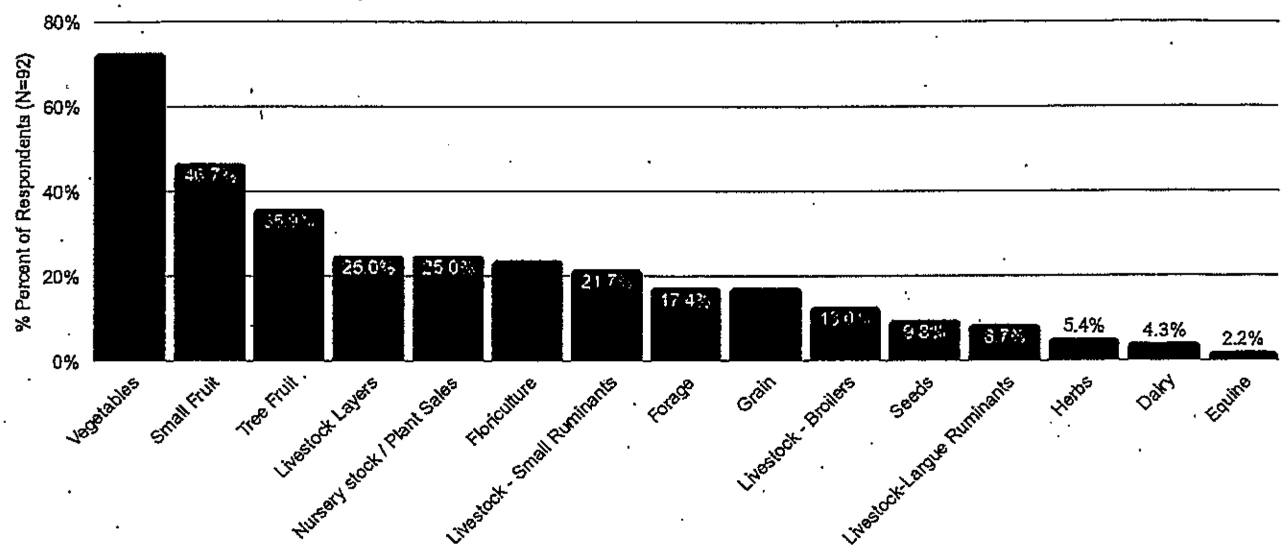
Products Sold by Regenerative Farmers

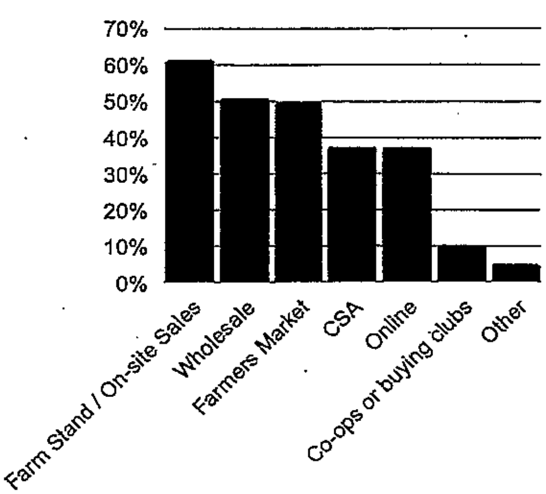
When reviewing the income by product type, vegetables stand out as the dominant primary income source, with more than 60 respondents reporting some vegetable revenue and a substantial portion, nearly half, earning over 50% of their farm income from vegetables.

We infer a positive correlation between the most common products sold and a lower cost of entry for start up of those enterprises. From our Board's internal experience, vegetable growing and small fruits are among the expensive types of specialty crop agriculture a farmer could start a business in. Livestock farming represents a higher cost of entry. It is likely that a lack of financial resources combined with the beginner status of many of our farmers is responsible for this product distribution. We see opportunity for enterprise diversification if capital investment and training became available.



Sales Channels

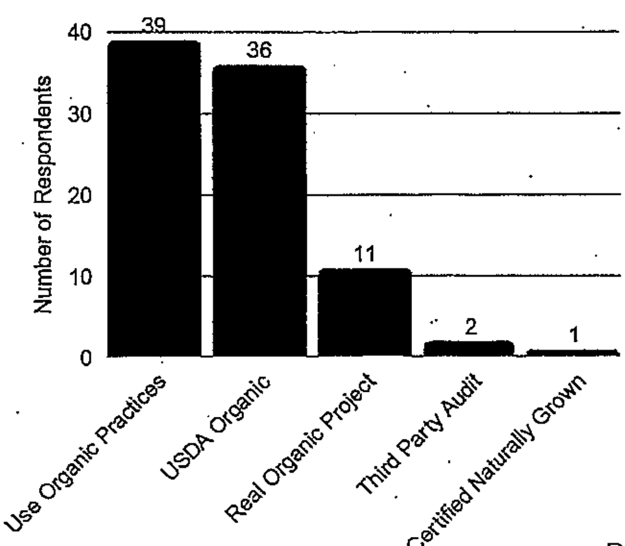
Our farmers overwhelmingly market by selling directly to the end user. This information should be used to inform marketing programing and training for this demographic.

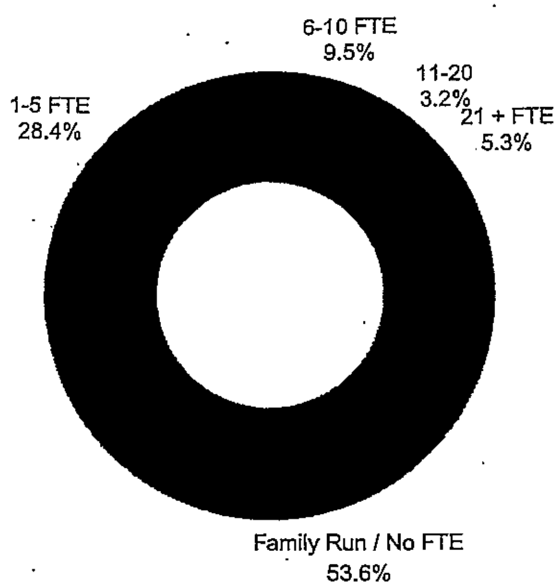


Certification Programs

Participation in Certification Programs

Respondents could select as many as apply



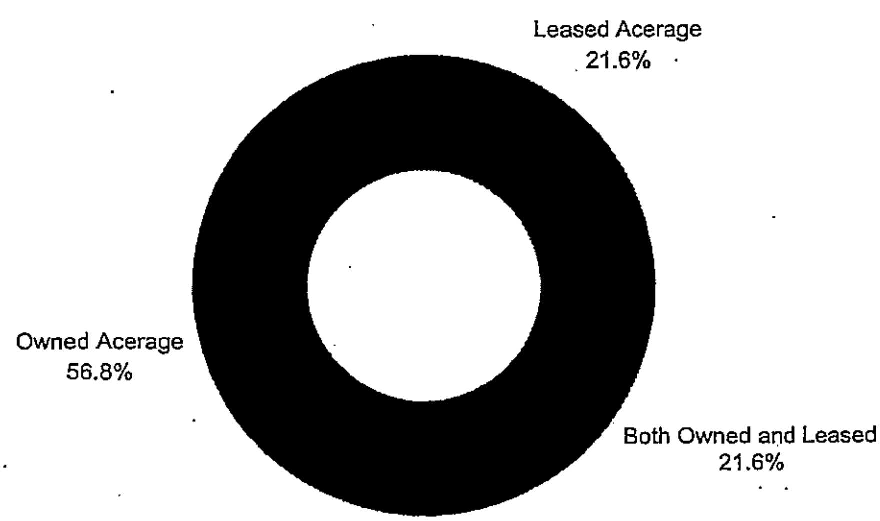


Full-time Equivalent (FTE) Employees

Over half (53.7%) of respondents reported no full-time employees, indicating that their farms are entirely family-run. Another 28.4% operate with a small workforce of 1 to 5 FTEs, while only 18% of farms reported having more than five employees. The 2022 Ag Census reports that approximately 35% of New Jersey farms operate with no hired labor, and this regenerative sample shows a much higher rate of family-run operations.

Land Tenure

Surveyed farmers are more likely to operate on leased or mixed tenure farms than the total pool of producers in NJ. Just under 57% of respondents reported owning the land they farm, while 43% either lease acreage or operate on mixed-tenure land. This differs from the broader Census profile, where 68% of farmland acres in New Jersey are owned. This report will reveal that the expense of farmland is a key barrier to success for organic and regenerative farmers



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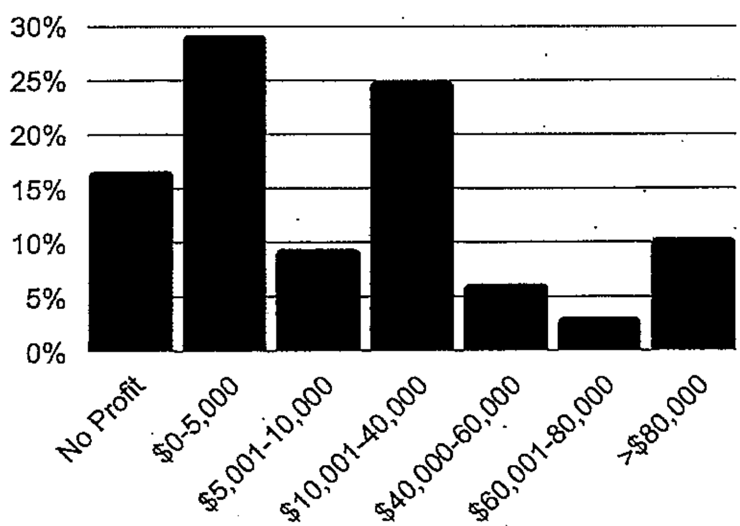
Profitability

Average profit over the previous three years

When asked to estimate their average profit over the past three years, respondents revealed a wide range of outcomes. Nearly one in five (17%) reported no profit, while close to 30% reported small annual profits of $0–$5,000. Another 34% of farms reported moderate earnings between $5,001 and $40,000, and only 19% indicated profits above $40,000, with 10.6% reporting earnings greater than $80,000 annually.

The farms in this survey fared no worse regarding profitability compared to all New Jersey farms. Comparisons are difficult to draw due to differing methods of data collection, but 13% of our surveyed farms reported $60K+ annual average profit over the past 3 years, while approximately 9% of statewide farms reported net cash farm income over $50K in 2022. However, that 13% represents only 12 total farms, so it is difficult to draw significant conclusions regarding increased profitability.



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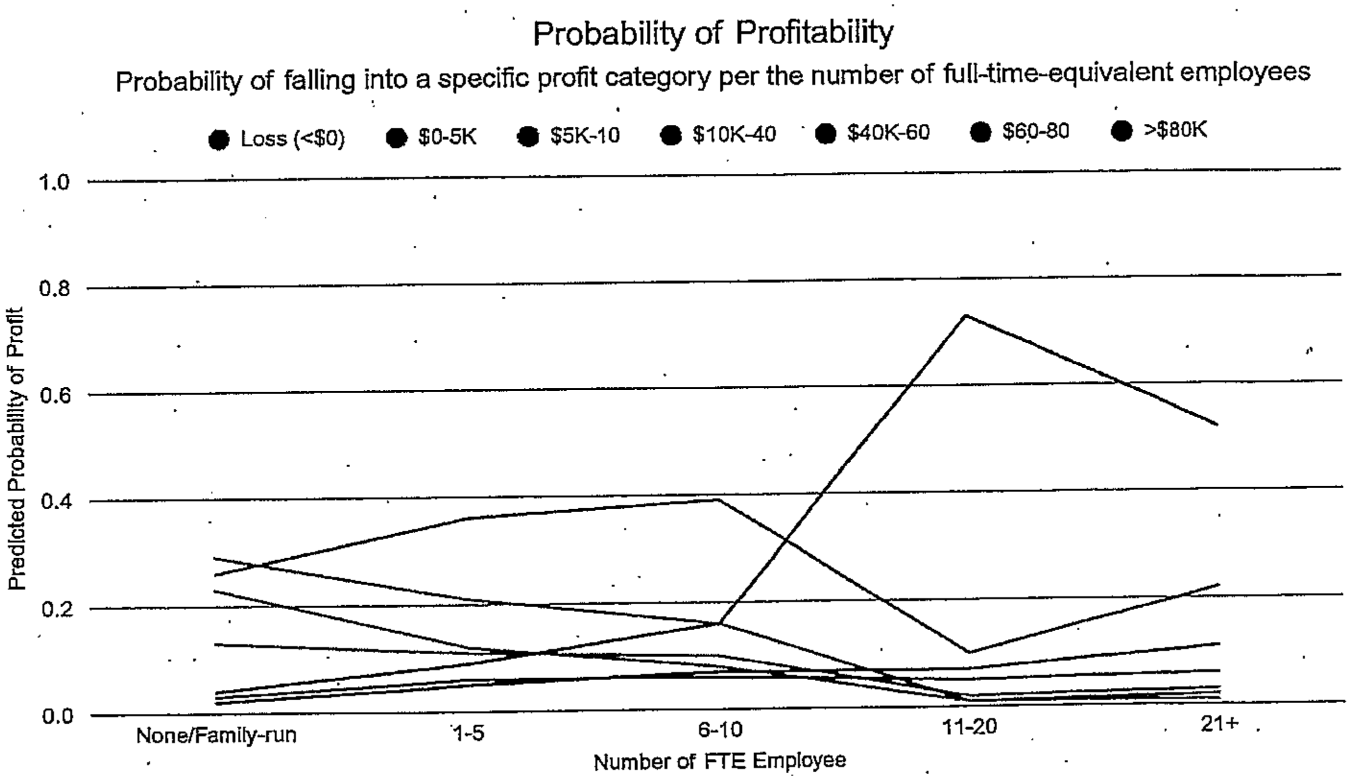
Probability of making a higher profit is highest when surveyed farms have 11-20 full time employees

As Full-Time Equivalent (FTE) staffing increases from 0 to 10 employees, there is a modest shift in predicted probabilities toward the mid-range reported profit categories ($10–40K), but the most pronounced jump in profitability occurs at the 11–20 FTE threshold. These results suggest that employment scale plays a pivotal role in farm profitability, potentially due to increased production capacity, specialization, or market reach that comes with additional labor. However, farms with 21 or more employees show slightly lower predicted probabilities of high profit compared to the 11–20 FTE group, indicating diminishing or more variable returns at even larger scales. The skills required for farm owners to successfully recruit, manage, and maintain employees are thus critical, but we see a gap in programming available to develop these skills. We show later in this report that labor availability and quality are key concerns our farmers.



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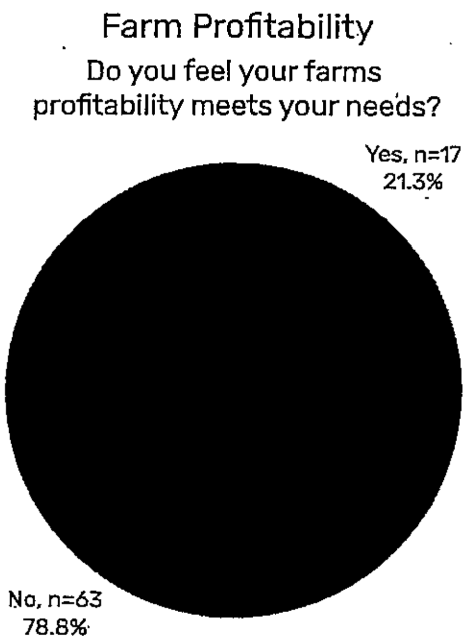
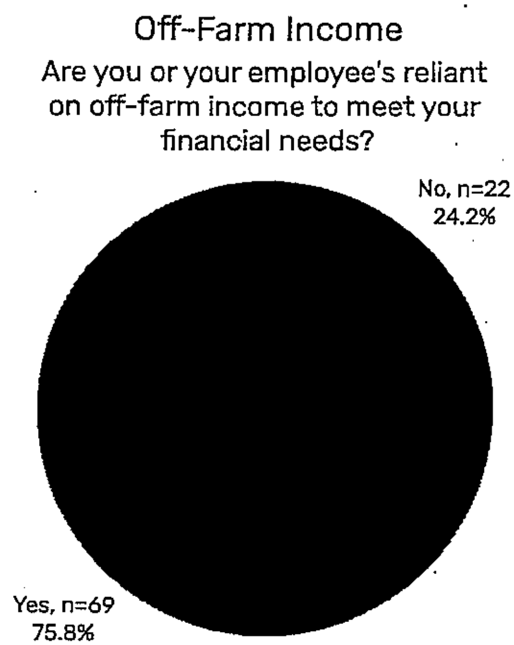
Whether farm profitability is meeting basic needs; farmers' reliance on off-farm income to meet basic needs

As shown below, only 17 respondents (<20%) report that their farm's profitability is sufficient to meet basic financial needs. At the same time, a large majority (~75%) report relying on off-farm income to meet financial needs.





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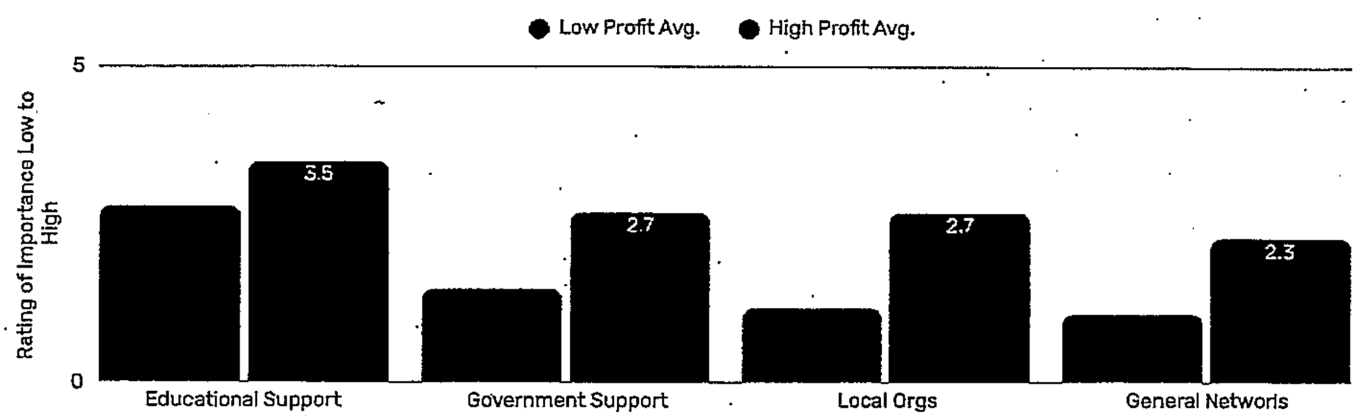
Support, Services, & Assistance

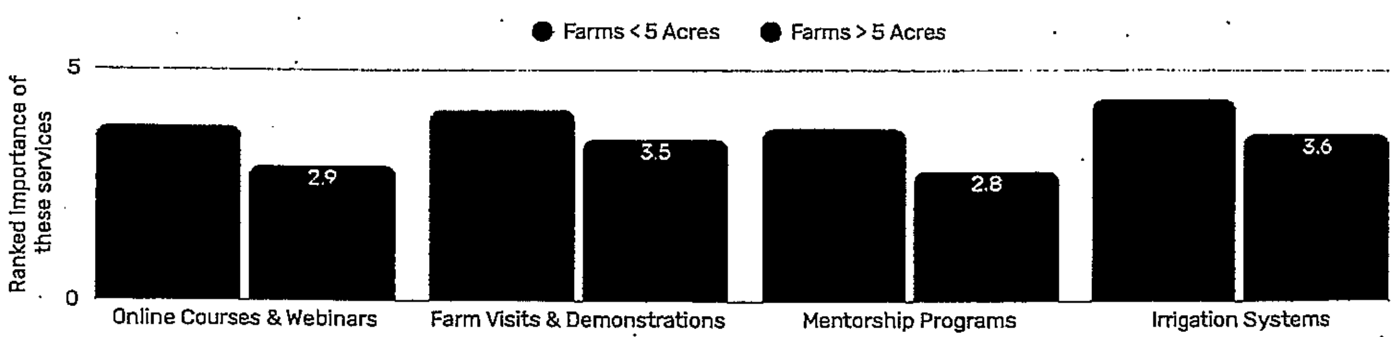
Perceived Importance of Support Types by Profitability

High-profit farms consistently rated sources of support including educational programs, government resources, local organizations, and general networks, as significantly more important than their lower-profit counterparts. These differences were sizable in magnitude (often more than a full point on the scale) and statistically significant.



Perceived Importance of Support Types by Farm Size

Within these four categories, smaller farms consistently gave higher scores to the importance of the below assistance programs. There is strong demand from respondents in the <5 acre group for programs that address their specific needs.



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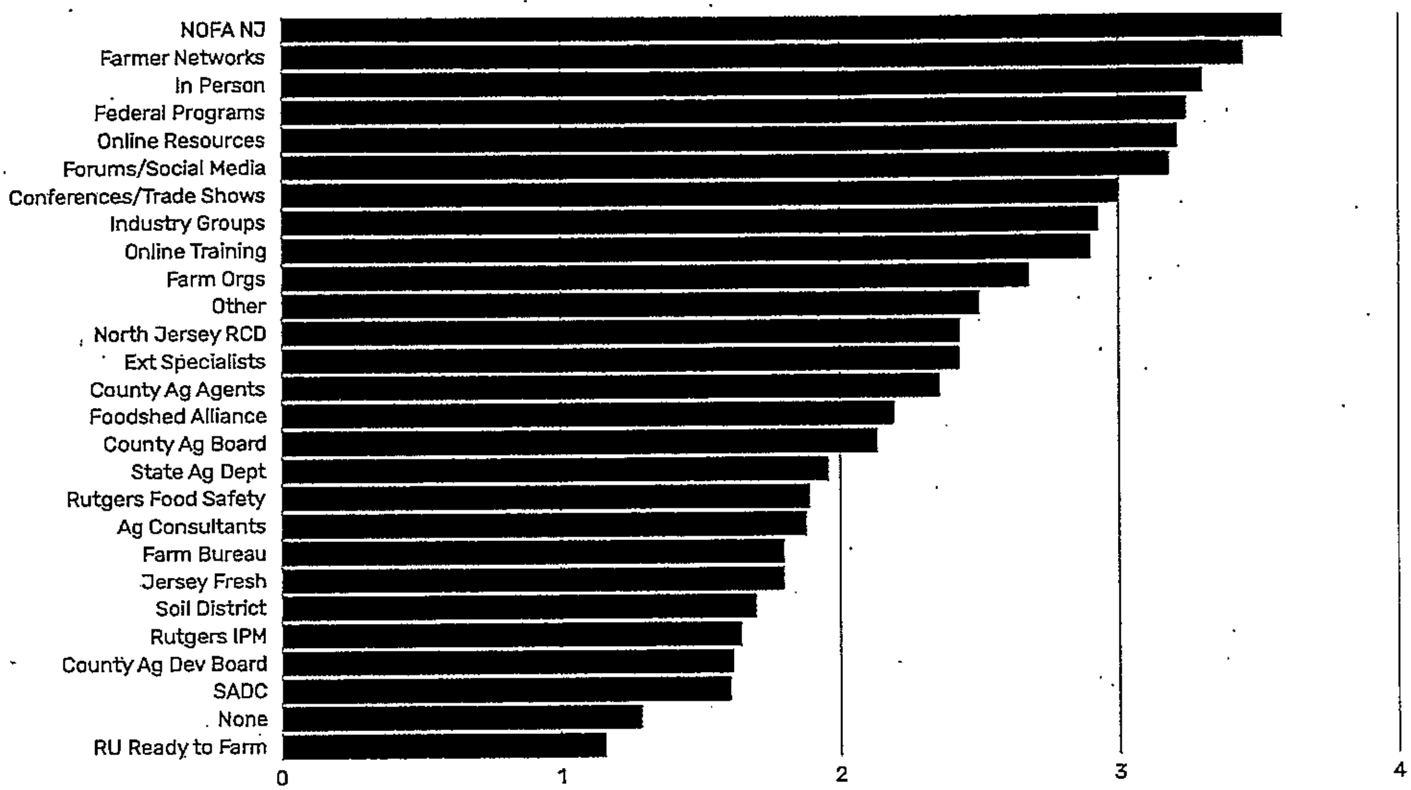
Services Having a Positive Impact on Business

Survey takers were asked to rank the level of positive impact the following services have had on their farms' success. This rating of services invites providers that have lower average scores to evaluate their services and programs either in outreach or in content. Services were rated 0-5 with 5 being the most valued.

We recognize that for this report, all respondents were farm owners, and some services do not target that sector. It is also possible that some service providers have not habitually outreached to the organic/regenerative farming subset.



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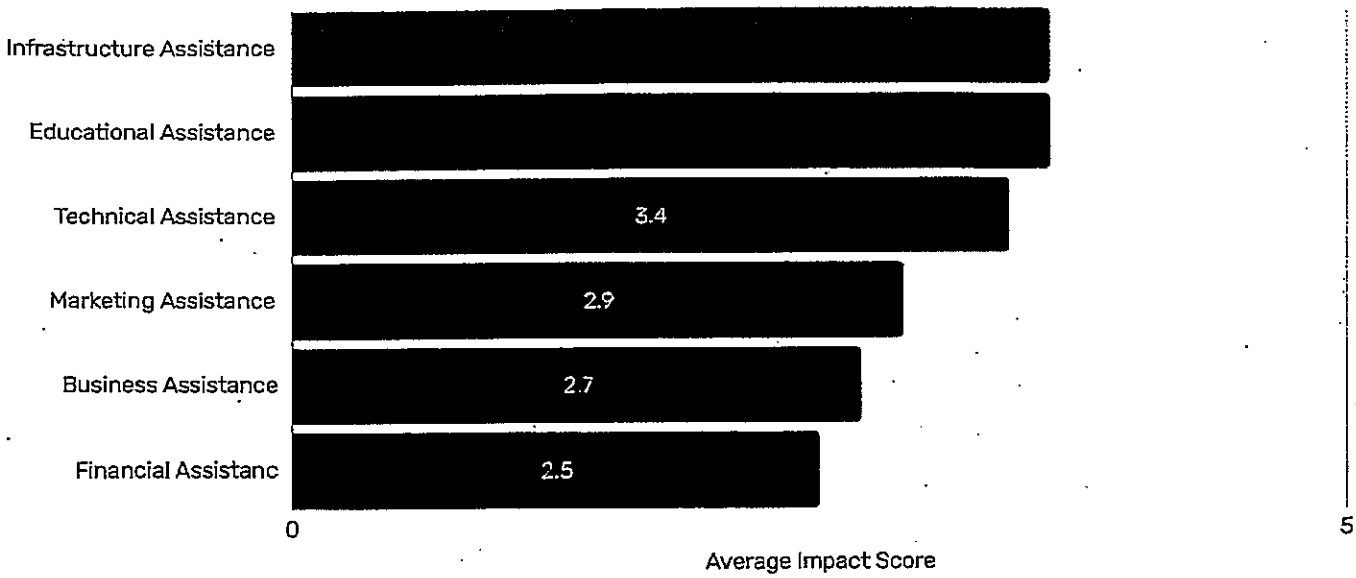
Importance of assistance programs by average sector score



Infrastructure and education emerged as the most urgently needed categories of support, with farmers rating those the highest in mean importance. Across all six of these assistance program domains—financial, business, marketing, technical, educational, and infrastructure assistance—high-profit farms consistently rate these supports as more important to their profitability and sustainability than low-profit farms. While the importance of several individual possible selections within the categories reached statistical significance (e.g., grants, crop insurance, financial planning, stormwater management), the more salient pattern is a systemic difference: high-profit farms appear to benefit from broader and more intensive engagement with the full spectrum of public and private support programs.

This suggests a structural dynamic where high-profit farms are either better positioned to access resources, to know of their existence, or are more adept at converting them into economic gain. These findings raise critical equity concerns, particularly if low-profit farms are underutilizing or are underserved by programs that demonstrably correlate with higher success. Targeted outreach, capacity building, or redesign of support mechanisms may be needed to bridge this utilization gap.

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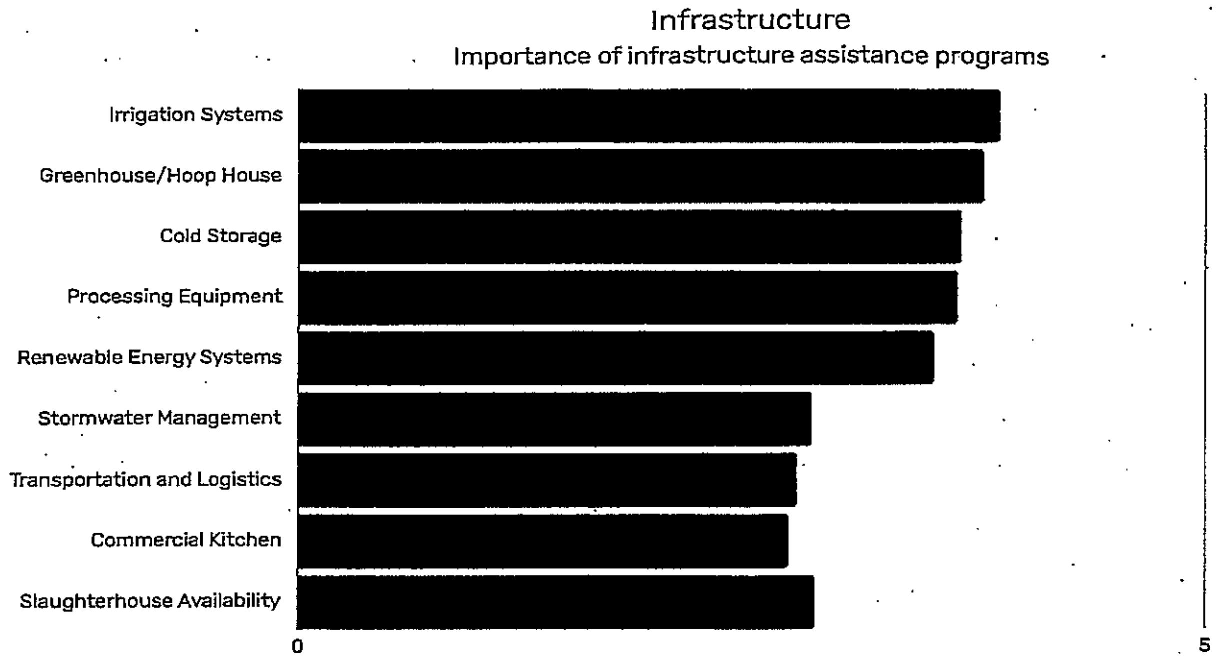
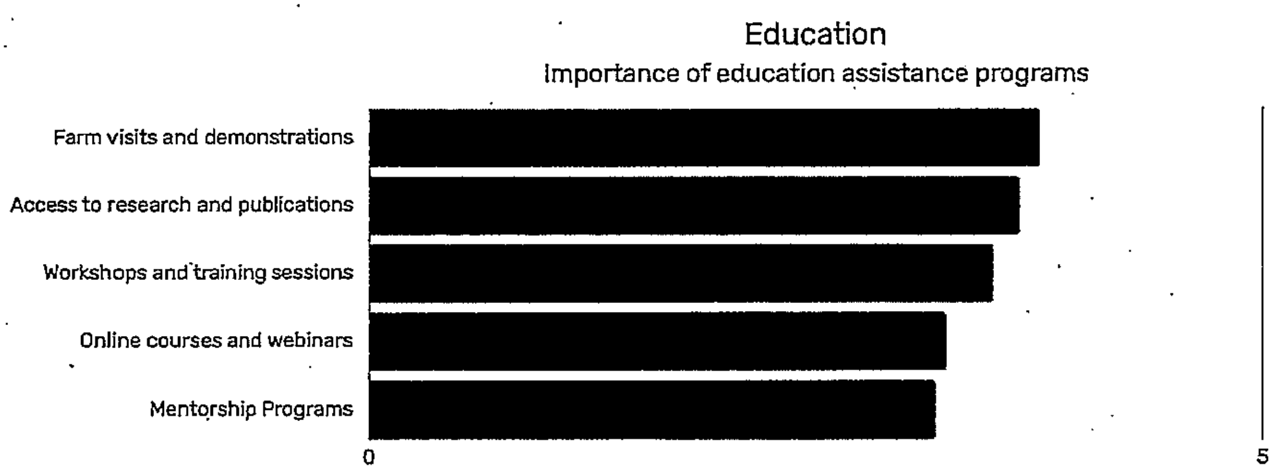
Importance of Assistance Programs rated individually





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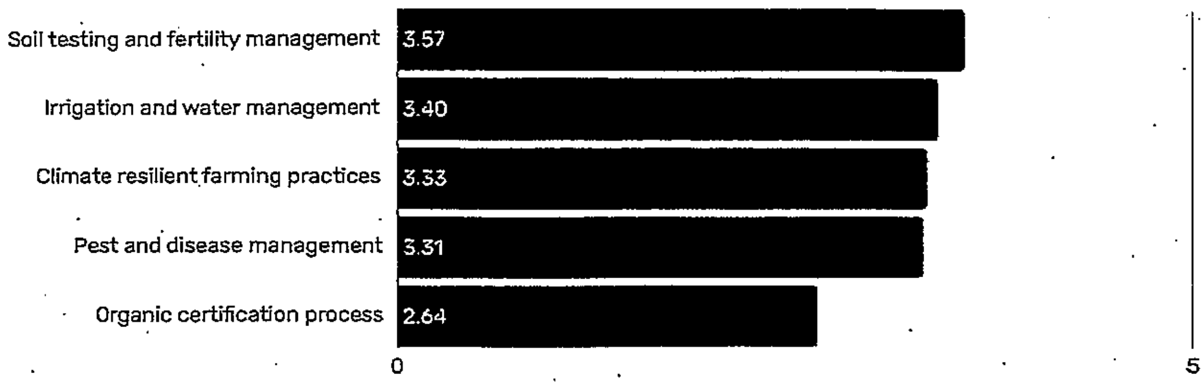
Technial

Importance of technical assistance programs



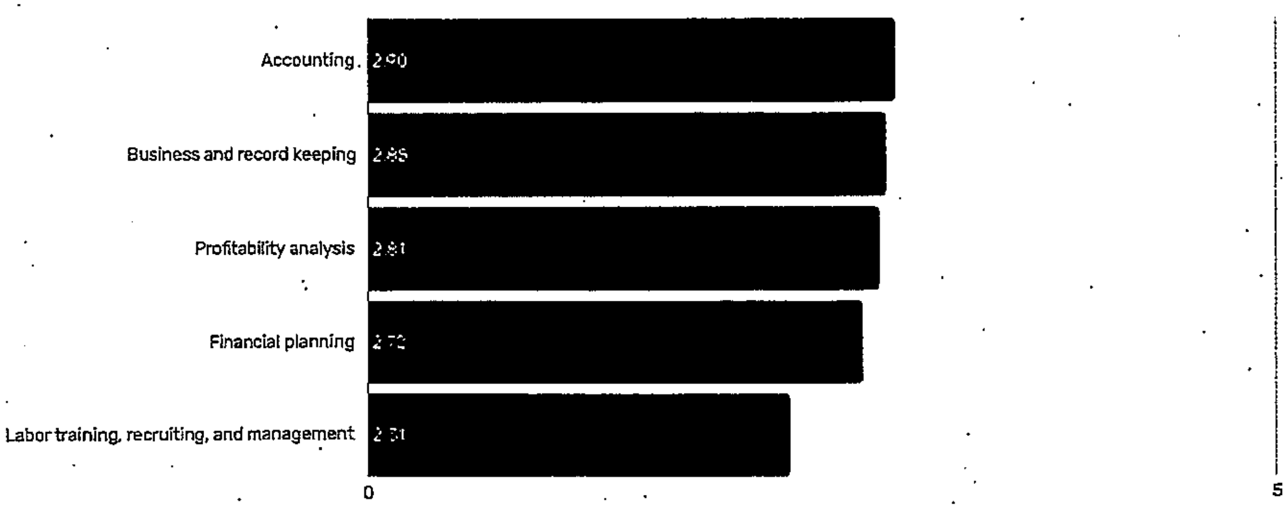
Marketing

Importance of marketing assistance programs

The top three out of five ranked are types of direct marketing.

Business

Importance of business assistance programs



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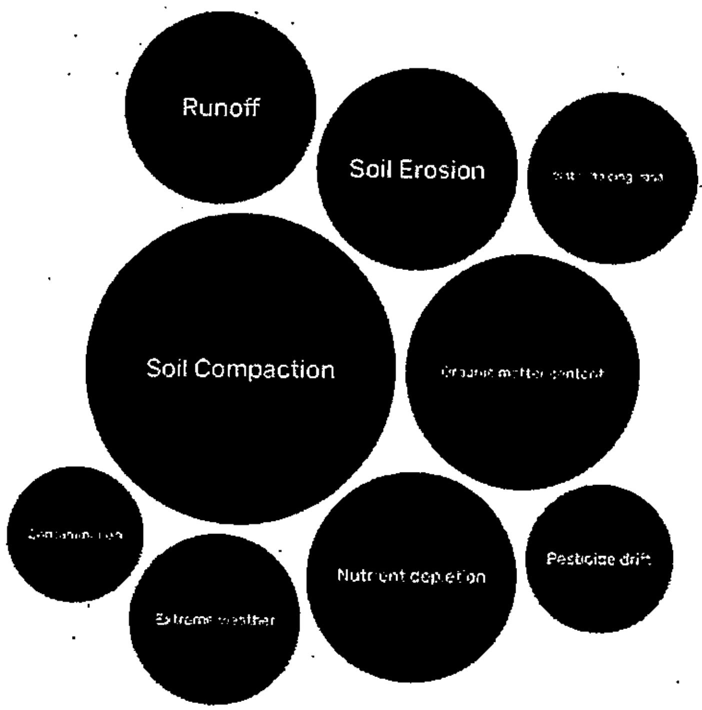
Climate & Soil

Soil health concerns and ratings

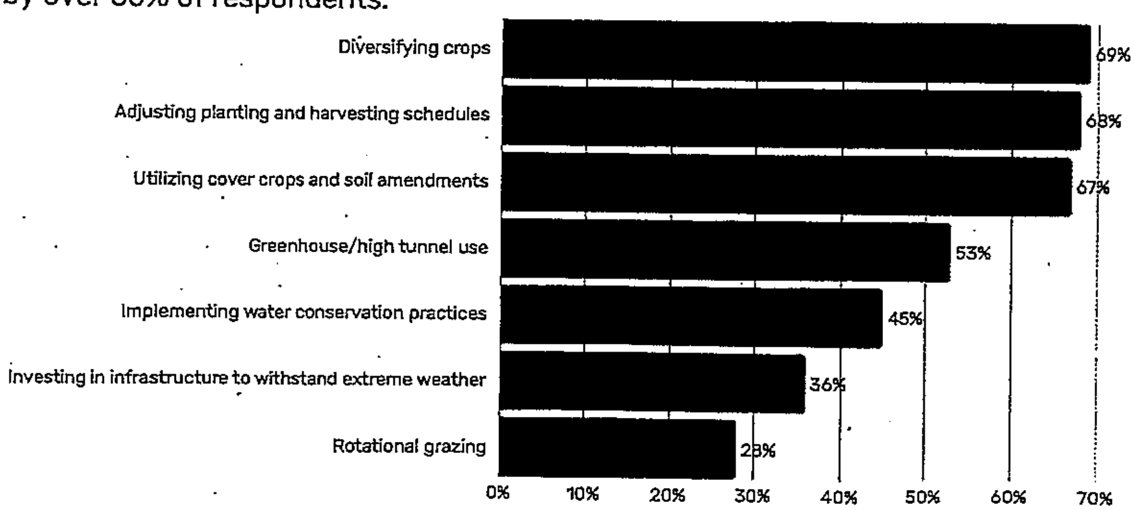


When asked to rank the top primary soil health concerns, these received the highest ratings.

1. Soil compaction
2. Organic matter content
3. Nutrition depletion
4. Soil erosion
5. Runoff
6. Water holding capacity
7. Extreme weather
8. Pesticide drift
9. Contamination

What strategies are currently used to adapt to climate change

In response to these soil health concerns, farmers are taking a proactive approach to adaptation. The most widely utilized strategies are crop diversification, adjusting planting and harvesting schedules to meet new climate realities, and the use of cover crops and soil amendments, each of which was selected by over 60% of respondents.



Edits to the above tables made December 16th. 2025

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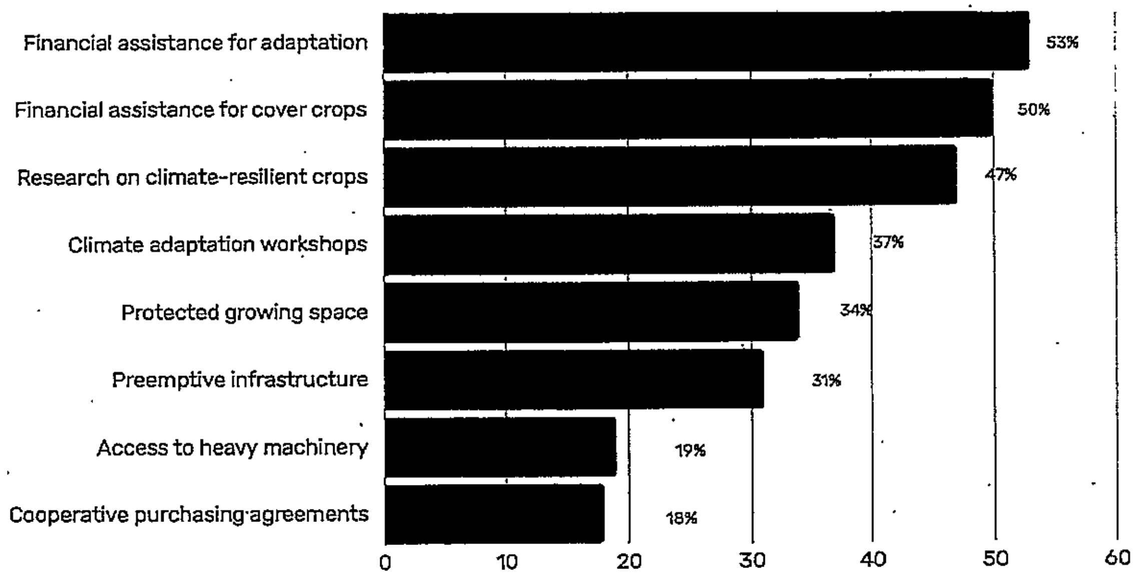
What additional resources would help manage climate-related risks?

In recognition that extreme weather is correlated with reduced yields and profits, we wish to place emphasis on the strategies that our farmers place value in to adapt to the reality of a changing climate. Assistance for the financial burden of adaptation and cover crops rank highest, but these farmers are also asking for research on resilient crops and adaptation education.



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Analysis of respondent comments

At several points in the survey respondents were invited to give open-ended responses in case the multiple choice selections did not reflect what they felt was most important to their operations. This brought to light several new areas of need. The following are key issues that emerged:

- The need for greater clarity and support in navigating regulations. Respondents expressed frustration with overlapping and unclear requirements across agencies, including those related to water use, pesticide handling, labor laws, fire safety, and food processing regulations.

- Also related to regulatory burden, there are complaints the here is no single, clear pathway for farmers to understand compliance, and that this often becomes a barrier to entering or scaling farm operations. Suggestions included regulatory guides, legal support, and software tools to walk applicants through complex certification or licensing processes.

- The need for mental health care tailored to agriculture. Farmers acknowledged the stress and isolation associated with farming and expressed the importance of having mental health services that understand the unique pressures of agricultural life.

- Expansion of policy support—such as advocating for including meats, dairy, and value-added goods in Farmers' Market Nutrition Program (FMNP) and SNAP incentive programs.

- Several farmers emphasized the importance of and need for cooperative systems and shared infrastructure, such as equipment rental programs, shared processing facilities, and coordinated transportation networks.

- There was significant concern about input access and supply chain development. Farmers described challenges in sourcing compost, seeds, livestock feed, and other critical materials locally. We would like to point out that the NexGen farming program of the NJ SADC has been developing a guide addressing this, and applaud the approach.

24x

In Conclusion

The Organic and Regenerative Farming Board of New Jersey's overwhelming takeaway from the survey results is that this population of farmers is passionate and hardworking. Many are building organic and regenerative businesses under enormous constraints, and some have begun to "crack the code" on regenerative farming that has sustainable profitability. At a time when farmers statewide are aging out of the industry, this younger generation of growers represents a critical opportunity to help sustain our state's agricultural legacy.

But the data is clear: that opportunity is at risk. Without meaningful support, services and assistance, the financial strain experienced by many of these farms threatens their survival. The need is urgent—and so is the responsibility.

To re-state our key findings:

- The cost of farmland is the largest barrier for our farmers
- Many of these farmers concentrate on enterprises that have a low cost of entry, and support for diversification may unlock additional market demand
- Direct sales to individual customers are overwhelmingly how these farmers sell their products
- Extreme weather is a major concern
- A higher chance of profitability is linked to being a business sized to employ and manage 11-20 people, indicating the need for business and management skills.
- Lower profitability farms report less engagement with support services, suggesting that improved outreach and support could have a significant impact.

Programs addressing these points are the most critical. It is notable that there are points of overlap between these findings and those of the State Agriculture Development Committee's Next Gen Farmer Program. The ORFB and its cooperators at Rutgers University are extremely open to collaboration with other entities to share subsets of the data to further service to the farmers in our state. Please consider yourself encouraged to ask us questions and ask for tailored data sets.

We look forward to advocating for mutually beneficial solutions with all partners.

About the Organic and Regenerative Farming Board:

The Organic and Regenerative Farming Board of New Jersey was created by an act of the NJ State Legislature in 2022. The duties of the Board are listed in NJSA: 4:10-80:
Develop, administer, and oversee programs in consultation with the Department of Agriculture on topics related to organic farming, including the certification program established pursuant to 14 P.L.2003, c.176 (4:10-79), the federal organic farming certification program implemented by the United States Department of Agriculture, best practices for organic and regenerative farming; incentives to encourage more organic and regenerative farming in the State, new techniques to carry out organic and regenerative farming, and programs to provide outreach, education, and marketing support to organic and regenerative farms in New Jersey.

Greatest barriers to meeting farm goals

2025 Farmer Needs Assessment Survey, Organic and Regenerative Farming Board of NJ
farm owner subset, 135 responses

Category	Mean Score	Bar Graph
Equipment is hard to afford	4.75	
Agricultural land is expensive in New Jersey	4.66	
Extreme weather	4.29	
Labor availability	4.21	
Labor quality	4.17	
There are not enough financial resources for farmers	4.15	
The rules and regulations are complex	4.13	
Farmer needs more business training	3.82	
There are not enough technical service providers	3.67	
Agricultural land is unavailable in New Jersey	3.51	
Logistics of getting to processing sites	3.49	
Commercial kitchen availability for value added products	3.48	
Markets for the product I want to sell are already saturated	3.26	
There are not enough educational resources for farmers	3.21	
Equipment is hard to find	3.15	
There are not many experienced farmers to learn from	2.94	

New Jersey
Farm Bureau

Chairwoman, members of the Committee, thank you for the opportunity to speak with you today. I'm Allen Carter, President of the New Jersey Farm Bureau and the CFO of Tuckahoe Turf Farms in Hammonton, NJ. I'm also one of 4 state presidents from the Northeast who serve on the American Farm Bureau board of Directors.

What can New Jersey do to help new and beginning farmers you ask.

New Jersey agriculture is often described by its history—

It's known as the Garden State, preserved farms, family operations, roadside markets, cranberry bogs, nurseries, equine farms, dairies, vineyards, vegetable growers, and specialty crop producers, and let's not forget.... sod farms.

But if we want that history to continue, I believe we must focus on the first five years of a farmer's life in business. That is the period when the dream is strongest—and the barriers are highest.

A person who wants to start farming in New Jersey today faces three immediate challenges: access to land, access to capital, and access to practical business support.

If we solve those three problems, we help more than just one farmer. We strengthen local food systems, preserve open space, create small businesses, support rural economies, and keep agriculture viable in a state where land is expensive, and development pressure is constant.

The first challenge is land.

In New Jersey, land is often the single biggest obstacle to starting a farm. Even when land is preserved, it does not automatically mean it is accessible to a beginning farmer. A young farmer, a first-generation farmer, or someone transitioning from a farm employee to a farm owner may have the skill and the work ethic, but not the ability to purchase land outright.

That is why the State should build on and strengthen the work already being done through the *New Jersey State Agriculture Development Committee* and its "FarmLink" resources. The "FarmLink Program" already provides resources for farmers and landowners, including information on accessing land, creating leases, farm transfer planning, and connecting farm seekers with farm owners. SADC also provides leasing resources and guidebooks because leasing can be one of the most realistic ways for a beginning farmer to get started.

But we can go further.

New Jersey should consider a formal *"Beginning Farmer Land Access Initiative"*. That could include a statewide inventory of publicly owned or preserved farmland that may be suitable for lease, model long-term lease agreements, incentives for landowners who lease to qualified

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beginning farmers, and support for counties that want to match retiring farmers with new operators.

A one-year lease is often not enough for agriculture. Farmers need time to build soil, invest in fencing, irrigation, high tunnels, livestock facilities, equipment, and markets. If we want people to start real farm businesses, we need lease terms that give them security. The State can help by promoting five-, ten-, and even longer-term leases on appropriate farmland, with protection for both landowners and farmers.

The second challenge is capital.

Starting a farm is capital intensive. A new farmer may need a tractor, refrigeration, fencing, irrigation, livestock, seed, insurance, fuel, feed, packaging, labor, marketing, transportation and we should include programs to support farmers with climate variability, to combat a freeze like we just witnessed. This may include wind machines, netting, and orchard heaters as well as climate smart activities like cover cropping or precision ag equipment. Often these items are needed well before the first dollar of revenue comes in. Traditional lenders may be hesitant because new farmers lack collateral, operating history, or predictable cash flow.

There are programs available. The *United States Department of Agriculture Farm Service Agency* offers farm ownership and operating loans, including programs for beginning farmers. USDA describes beginning farmers as those who have operated a farm or ranch for less than ten years, and its resources include farm loans, crop insurance, conservation programs, and disaster assistance. FSA microloans are specifically designed to meet the needs of small, beginning, niche, and non-traditional operations, including farms selling through farmers markets, CSAs, restaurants, grocery stores, and urban or innovative growing systems.

New Jersey also has resources through the *New Jersey Department of Agriculture*, including grant and financial service information, and the *State Agricultural Development Committee's* beginning farmer resources point farmers toward programs such as Farm Credit East's "FarmStart", which can provide working capital loans up to $75,000 for farmers in their first few years of business, along with business planning and financial advising.

The issue is not that no programs exist. The issue is that for a new farmer, the system can be difficult to navigate. A beginning farmer should not have to know every acronym — FSA, NRCS, SADC, NJDA, NJEDA, USDA RD — before they can even plant their first crop.

That is why New Jersey should create a *"one front door"* beginning farmer assistance portal and navigator. A farmer should be able to go to one place and get help identifying the right loan, the right grant, the right county contact, the right conservation program, and the right business-planning resource. This could be housed through the Department of Agriculture in partnership with Rutgers Cooperative Extension, county agriculture development boards, and USDA service centers.

The State should also explore a small *Beginning Farmer Start-Up Grant or Loan Guarantee Program*. Even modest amounts can make a difference. A $25,000 to $75,000 grant or low-interest loan could help a new farmer purchase fencing, refrigeration, irrigation, wash-pack equipment, a greenhouse, or a delivery vehicle. These are not luxuries. These are the tools that turn land into a business.

The third challenge is technical assistance.

Farming is not just production. It is business planning, marketing, accounting, food safety, labor compliance, environmental stewardship, risk management, and customer development. Many beginning farmers know how to grow or raise something, but they may need help turning that skill into a sustainable business.

New Jersey already has an important asset in *Rutgers Cooperative Extension* and the Rutgers Beginner Farmer Training Program. Rutgers' RU Ready to Farm program provides training and resources for beginning farmers through the *New Jersey Agricultural Experiment Station and Cooperative Extension.*

A new farmer should be able to receive help developing a realistic enterprise budget, understanding crop insurance, applying for a loan, negotiating a lease, and complying with state and local regulations

Mentorship is especially important. Farming is learned by doing. A county-based mentoring program that pairs beginning farmers with experienced producers could help avoid costly mistakes and build relationships across generations. The Legislature is already seeing ideas in this area, including A4032 introduced in 2026 that would authorize counties to establish mentoring programs and resell preserved farmland at reduced prices to beginning farmers. That type of concept deserves serious consideration

Another area where the State can help is infrastructure.

Not every beginning farmer needs to own every piece of equipment. Shared-use infrastructure can reduce start-up costs. New Jersey could support regional equipment-sharing programs, mobile slaughter or processing options where appropriate, shared cold storage, commercial kitchens, and distribution support for small farms trying to reach schools, institutions, restaurants, and local retailers.

For many small farms, the problem is not just growing the product. It is getting the product washed, packed, stored, transported, insured, and sold at a fair price. If we help with that infrastructure, we help farmers become profitable sooner.

New Jersey
Farm Bureau

We should also look at regulatory navigation.

New Jersey's rules exist for important reasons — protecting land, water, workers, consumers, and communities. But for a new farmer, permitting and compliance can be intimidating. A beginning farmer may need to understand local zoning, farmland assessment, DEP requirements, Pinelands, Highlands, Right to Farm protections, wetlands rules, soil conservation requirements, food safety rules, farm labor rules, and direct marketing regulations.

The State could create a *"Beginning Farmer Regulatory Checklist"* — plain language, step-by-step, organized by type of operation. This would not weaken standards. It would make compliance easier and more predictable.

Finally, we should make sure beginning farmers have access to markets.

A farm cannot survive on production alone. It needs customers. The State can help beginning farmers by expanding opportunities in farm-to-school purchasing, state institutional purchasing, farmers markets, food hubs, and local procurement. We can encourage state agencies, colleges, hospitals, and schools to purchase more New Jersey-grown products, with a pathway for smaller and newer farms to participate.

We should also help beginning farmers with value-added agriculture. USDA Rural Development's *"Value-Added Producer Grant Program"* helps producers develop new products, expand marketing opportunities, and increase income through added value. New Jersey can complement that by helping farmers with planning, matching funds, technical assistance, and access to approved processing space.

So, Chairwoman, committee members, if I were to summarize the policy path, it would be this:

First, make land more accessible through long-term leases, *"FarmLink"* expansion, landowner incentives, and better use of preserved and public farmland.

Second, make capital easier to obtain through start-up grants, loan guarantees, micro-loan support, and a one-stop *"Beginning Farmer Navigator"*.

Third, expand training and mentorship through *Rutgers Cooperative Extension*, county boards, and experienced farmers.

Fourth, invest in shared infrastructure so new farmers do not have to carry every cost alone.

Fifth, simplify regulatory guidance so farmers can comply with the law without being overwhelmed by it.

New Jersey
Farm Bureau

And sixth, help beginning farmers reach markets so they can build profitable businesses, not just productive farms.

New Jersey does not need to choose between farmland preservation and farm viability. We need both. Preserving land without helping farmers access it leaves us with open space but fewer working farms. Helping farmers without addressing land access leaves them with ambition but nowhere to build. The future of agriculture requires connecting the two.

The people who want to start farming are not asking for a handout. They are asking for a fair chance — a chance to lease land, borrow responsibly, learn from experienced producers, comply with the rules, sell their products, and build something that can last.

If New Jersey can provide that pathway, we will not only help new farmers, but we will also protect the Garden State's agricultural future.

Thank you, Chairwoman, and thank you to the members of the Committee.

Allen Carter Jr., President, New Jersey Farm Bureau

New Jersey
Farm Bureau

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Legislative Priorities for Veteran Business Growth in New Jersey

The NJ State Veterans Chamber of Commerce Policy Agenda for 2026–2027

By Jeff Cantor | NJ Veteran Magazine

Across New Jersey, veteran-owned businesses continue to grow as an important part of the state's economy. Veterans bring leadership, discipline, and operational experience to entrepreneurship, often building companies that create jobs and strengthen local communities. However, many veteran entrepreneurs still face barriers in accessing capital, government contracts, and fair procurement opportunities.

The **NJ State Veterans Chamber of Commerce** has developed a comprehensive legislative agenda for the 2026–2027 legislative session aimed at strengthening opportunities for veteran-owned businesses and ensuring that the state fulfills its commitments to those who served.

These policy initiatives are designed to expand economic opportunity, increase transparency in procurement, and improve access to capital for veteran entrepreneurs across the Garden State.

Strengthening the Disabled Veteran Business Set-Aside

One of the top priorities for the Chamber is improving enforcement of New Jersey's **disabled veteran-owned business (DVOB) set-aside law.**

Current law requires that at least **3% of state contracts** be awarded to disabled veteran-owned businesses. Unfortunately, enforcement of this requirement has been inconsistent.

Proposed legislation would amend **N.J.S.A. 40A:11-45** to add **liquidated damages for contractors who fail to meet the required 3% DVOB participation goal.** This enforcement mechanism would ensure that prime contractors make a genuine effort to include disabled veteran-owned businesses in state procurement opportunities.

In addition, the Chamber is advocating for increasing the state's DVOB participation goal from 3% to 6%, aligning New Jersey more closely with federal standards and policies in neighboring states.

Increasing Transparency in State Procurement

Transparency in government contracting is another major focus of the legislative agenda.

A proposed bill would require **every state agency with procurement authority** to publicly report its spending with small and diverse businesses. Agencies would be required to publish quarterly data showing:

- Total procurement spending
- Spending with certified diverse businesses
- Percentage of spending by certification category

The reporting would track certifications listed within the **NJ SAVI System** or any successor system used by the state.

Making this data publicly available would allow policymakers and the public to evaluate whether procurement goals are actually being met.

Expanding Access to Capital

Access to financing remains one of the biggest challenges for small veteran-owned businesses.

To address this issue, the Chamber is proposing the creation of a **$20 million Diverse Business Lending Fund** administered through the **New Jersey Economic Development Authority.**

The program would allow small diverse businesses—including veteran-owned and disabled veteran-owned companies—to use state contracts as collateral to access financing of up to **100% of the contract award value.**

Loans would be structured as **low-interest or no-interest financing**, and the program would apply not only to state contracts but also to county and municipal contracts.

Because these loans would be repaid, the fund could become a **self-sustaining revolving capital pool** supporting veteran entrepreneurs for years to come.

Encouraging the Private Sector to Hire Veteran Businesses

The Chamber is also advocating for **tax incentives that encourage large companies to work with veteran-owned businesses.**

Under the proposal, large private companies could deduct the full amount of funds spent with New Jersey-based veteran-owned and disabled veteran-owned businesses from their state tax obligations.

The goal is to incentivize private-sector companies to actively include veteran-owned businesses in their supply chains.

Improving Payment Timelines

Delayed payments can be devastating for small businesses operating on tight cash flow.

The Chamber is proposing a **Prompt Payment Program** requiring state agencies to pay veteran-owned businesses **within 15 days of completing work under a state contract** or a designated milestone within that contract.

Ensuring prompt payment would improve financial stability for veteran entrepreneurs and reduce the risk of businesses failing due to delayed government payments.

Training and Accountability in Procurement

Another priority is ensuring that procurement officers fully understand the state's diversity procurement laws.

The proposal calls for **mandatory annual diversity procurement training** for all state procurement officers. The training would be conducted through the state's diversity office in partnership with the **New Jersey Attorney General's Office** and the **New Jersey Diverse Business Advisory Council.**

Training would focus on:

- Conducting good faith outreach to diverse businesses
- Understanding diversity procurement laws
- Ensuring compliance with participation goals

Supporting Veteran Business Startups

To encourage new veteran entrepreneurs, the Chamber is proposing legislation that would **waive state registration fees for newly formed veteran-owned businesses** that obtain certification through one of the state's diversity programs. Lowering startup costs could help more veterans turn business ideas into viable companies.

Infrastructure and Local Government Contracting

The legislative agenda also focuses on ensuring that veteran businesses benefit from major infrastructure projects.

One proposal would require **all Infrastructure Bank-funded projects** to include veteran-owned businesses in their diversity participation goals, which currently apply primarily to minority- and women-owned businesses.

Another measure would tie **state funding for counties and municipalities** to the achievement of diverse business participation goals.

Additional Initiatives Supporting Veteran Entrepreneurs

The Chamber's legislative agenda includes several additional initiatives designed to strengthen the veteran business ecosystem:

- **Waiving EZPass tolls** for vehicles owned by disabled veteran businesses (S301)
- Establishing a **10% price preference program** for disabled veteran-owned businesses when bidding on public contracts
- Creating a **capacity-building and mentorship program** connecting prime contractors with veteran businesses
- Establishing a **state certification for Military Spouse-Owned Businesses**
- Creating a **"First Look" procurement program** requiring agencies to consider diverse businesses first for smaller purchases
- Establishing **ombudsmen within state agencies** to assist veteran businesses with procurement challenges and payment issues

Strengthening the Veteran Business Ecosystem

Finally, the Chamber is seeking the creation of a state budget line item to support the NJ State Veterans Chamber of Commerce. This funding would allow the organization to expand outreach, education, and training programs for veteran entrepreneurs across the state.

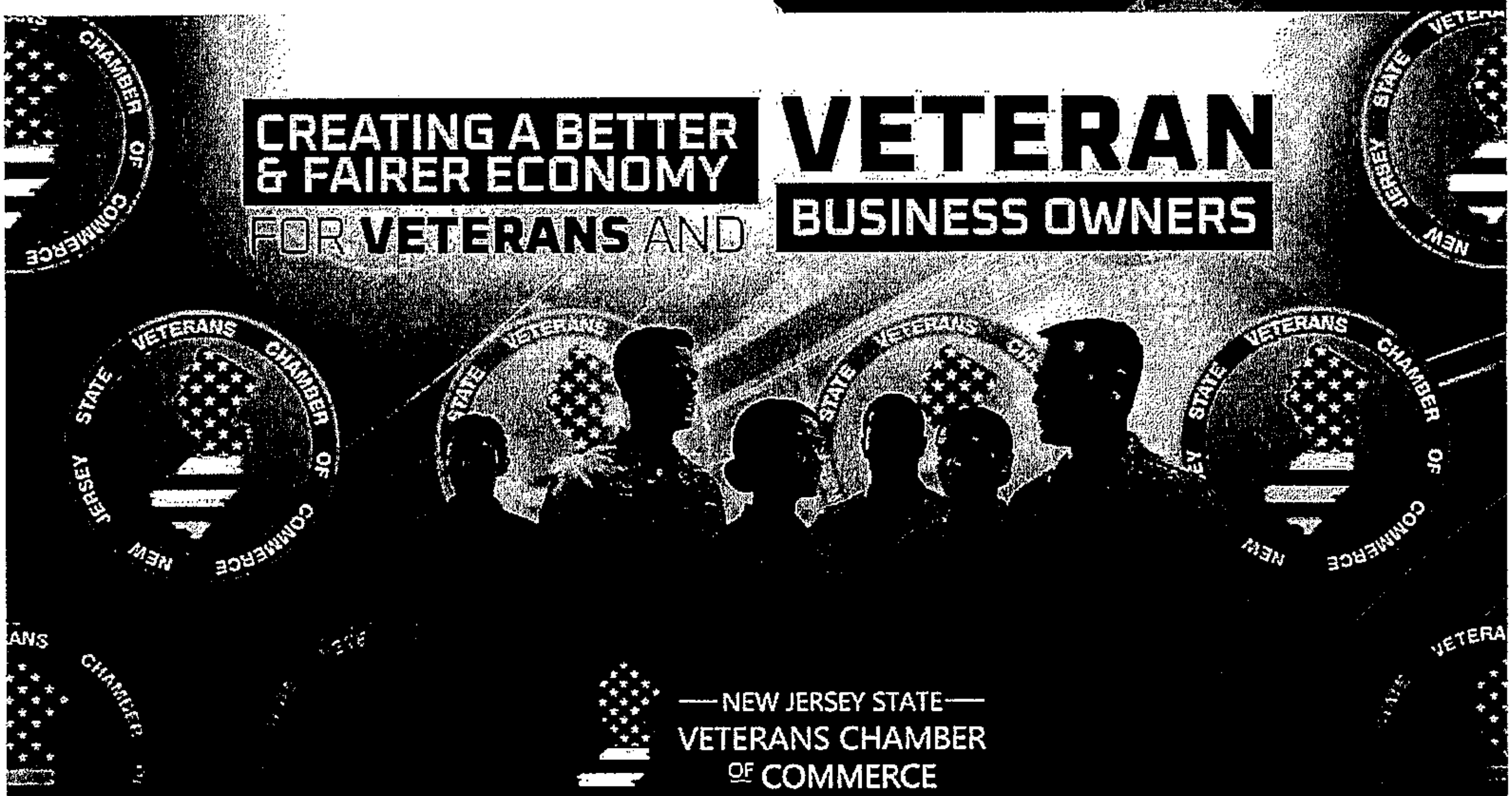
Unlike many business organizations, the Chamber does not charge veterans for its services, making sustainable funding essential to continuing its mission.

Building a Stronger Future for Veteran Entrepreneurs

Veteran-owned businesses represent one of the fastest-growing segments of the American small business economy. With the right policies in place, New Jersey has an opportunity to become a national leader in supporting veteran entrepreneurship.

The legislative priorities outlined by the **NJ State Veterans Chamber of Commerce** aim to ensure that veterans who served their country have the opportunity to succeed in business at home.

By improving procurement transparency, expanding access to capital, and strengthening enforcement of existing laws, these initiatives seek to create a more equitable and prosperous business environment for New Jersey's veteran entrepreneurs.



<u>Testimony of Colonel Jeff Cantor, Founder & CEO of the NJ State Veterans Chamber of Commerce, 5/21/2026</u>

Good Morning Honored Members. I am Colonel Jeff Cantor, Founder and CEO of the NJ State Veterans Chamber of Commerce and one of the leaders of the NJ Diverse Business Advisory Council. I offer testimony from my eight plus years working on procurement for diverse businesses in the state.

As you are aware, the state published a disparity study two years ago which indicated that the state has not done its fair share to provide procurement opportunities to diverse businesses, including veteran owned businesses. To date, very few things have changed in the state to provide relief for these businesses.

As you are aware there is a 3% Disabled Veteran Owned Business (DVOB) Set-aside program in the state. This has been public law since 2015, that's eleven years of being public law. The state has never met or even come close to meeting its obligation with disabled veteran owned businesses. The state spent the following with DVOBs:

Year	NJ Dollar Spends	% Spend
2021	$21.36MM	0.53%
2022	$54.45MM	0.96%
2023	$ 8.42MM	0.12%
2024	$43.18MM	0.52%

We are respectfully requesting the following pieces of priority legislation be introduced and passed so that veteran business owners can succeed in our state:

1. Adding Liquidated Damages for contractors that don't set-aside at least 3% of state contracts to DVOBs (Amending N.J.S.A. 40A:11-45)
2. Publish all state spends in every state agency with procurement power every year
3. Establish a NJEDA Diverse Business Lending Fund
4. Fund the NJ State Veterans Chamber of Commerce
5. Waive EZPass tolls for up to 2 vehicles owned by a DVOB
6. Create a 10% Price Preference for DVOBs
7. Create a procurement program for Veteran Owned & Military Spouse owned businesses (Currently no incentive)

8. Create a "First Look" Program
9. Establish Ombudsmen in State Government to help veterans navigate the very complicated bureaucracy of state government & prompt payment program
10. Increase the DVOB set-aside to 6%, in line with surrounding states.
11. The state should also look at the unbundling of state contracts to make it easier for small diverse businesses to compete as a prime contractor.

We must all work together to provide a clear pathway forward for veterans in our state. The current systems are not working as evidenced by state spending data. We need these pieces of priority legislation passed, so veterans can have some economic independence in our state. Thank you for the opportunity to address this quorum.

Submitted for the record. This 21st day of May, 2026

Jeff Cantor
Colonel, US Army (Ret)
Founder & CEO
NJ State Veterans Chamber of Commerce
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—NEW JERSEY STATE—
VETERANS CHAMBER
OF COMMERCE

Priority Legislation needed for the NJ State Veterans Chamber of Commerce 2026-2027

1. AN ACT concerning set-asides for veteran-owned businesses, amending N.J.S.A. 40A:11-45, and supplementing Title 40A of the New Jersey Statutes. – **adding liquidated damages for contractors that don't set-aside at least 3% of state contractors to DVOBs (NF)**
2. **Publish all spends in every state agency with procurement power** – A bill that mandates that every state agency with procurement power, publishes all spends of that agency with small diverse businesses vs. total spends both as a total dollar amount and as a percentage. This data should be listed on their website and should be updated quarterly. It should track spends of all the certifications listed on the state's NJ SAVI system or subsequent diversity certification system. (NF)
3. **NJEDA Diverse Business Lending fund** – Create a fund run out of NJEDA, for $20 Million, that allows small diverse businesses, including veteran owned businesses & Disabled veteran owned businesses to use a state contract as collateral and draw up to 100% of the award amount in funding to be paid back via low-interest or no-interest loan. This would be eligible for county and municipal contracts as well. (Money to be paid back)
4. **Tax Incentives for NJ Businesses to use VOBs & DVOBs** – Whatever funds are spent with NJ based DVOBs & VOBs, exempt large private companies from paying taxes on that amount that is spent.
5. **Prompt Payment Program** – a law that states that all veteran businesses will be paid from each state agency that they have a contract, within 15 days of the completion of work on that contract, or portion of that contract that is established at the awarding of the contract. (NF)
6. **Funding to the NJ State Veterans Chamber of Commerce** – create a line item in the budget to provide funding to the veterans chamber to conduct outreach and programming for the veteran business community, as we do not charge veterans for our services.
7. **Require every procurement officer to undergo annual diversity procurement training** – Put together training that is run out of the office of diversity & inclusion, conducted by the Chief Diversity Office and members of the Attorney General's office and members of the NJDBAC, that instructs procurement officers on the need for primes to conduct a true good faith effort, how to outreach to the diverse business communities, and the laws associated with diverse procurement in the state. (NF)
8. **No registration fees for newly formed veteran businesses.** – waive the start-up costs and registration fees for newly created veteran businesses if they are certified under one of the diversity categories in the state.
9. **Waive EZPass tolls for one to two vehicles owned by a disabled veteran businesses** – Create a law that will waive the EZPass tolls of up to two vehicles owned by small disabled veteran businesses in the state. **(S2755)**
10. **Create a 10% Price Preference Program for disabled veteran businesses in the state.** – Allow small diverse businesses a price preference when bidding public jobs. Previous bills

were S1866/A4042 (which focused on disabled veteran owned businesses). Thirteen other states have price preference laws, so there is a precedent for this law.

11. **Any state dollars that go to counties and municipalities be tied to a veteran business goal** – Much like the way NJEPA establishes SED goals to state/federally funded projects, any state money that is allocated to counties and municipalities will be tied to a small diverse business goal. (NF)
12. **For all Infrastructure Bank (I Bank) funded projects, veteran businesses should be included in the diversity goals of 10%** (Currently only M/W). Waivers need to be issued for any prime vendor that is unable to meet their required diversity goals (NF)
13. **Provide funding for training in capacity building and mentorship between prime vendors and veteran businesses** – Have the state create a training fund to help build capacity for small diverse businesses in the state.
14. **Create a state certification for Military Spouse Owned Businesses –** The creation of the MILSPOUSE state certification will continue to help diverse owned businesses including those owned by military spouses. (NF)
15. **Create a First look Program –** Procurement personnel would be required to first look at small diverse businesses when purchasing through delegated purchase authority or under the threshold purchases in the state. (NF)
16. **Create OGS/Ombudsmen in State Government–** The creation of Ombudsmen will allow veteran businesses to speak directly to a person within the state agency that can help them with problems such as getting paid, contract resolution, and other business-related aspects.
17. **Increase DVOB Set-**aside law from 3% to 6% of all State Contracts – This mirrors the Federal Government spend law. **(In Line with NYS) (NF)**

For more information, please reach out to us at jeff@njveteranschamber.com

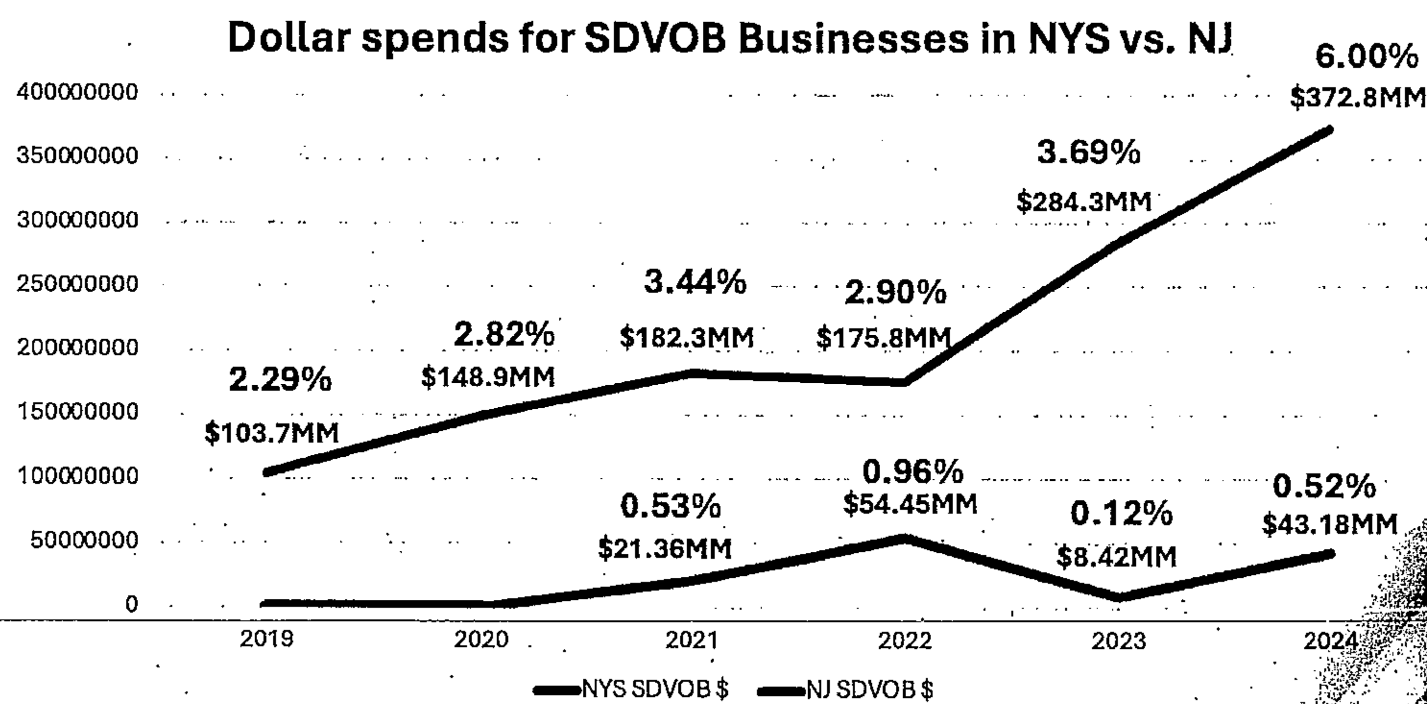
For your consideration,

Jeff Cantor
Colonel, US Army (Ret)
CEO
NJ State Veterans Chamber of Commerce
www.njveteranschamber.com

NJ & NY SDVOB Utilization

NYS SDVOBs = 1,262 (65)
NJ SDVOBs = 303

NYS just hit 6% for 2024



Source: NYS OGS Division of SDVOB Development Annual Reports 2019 – 2024 & NJ Department of Treas[illegible] Report 2021 – 2024

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LAEDA

EMPOWERING PEOPLE
REVITALIZING THE COMMUNITY

Written Testimony of the Latin American Economic Development Association,
Ray Lamboy, President & CEO

New Jersey Senate Economic Growth Committee Hearing on
"How to facilitate starting and growing a business in New Jersey"

May 21, 2026

11:00 a.m. Committee Room 10, 3rd Floor, State House Annex, Trenton, New Jersey

Chairwoman Nilsa Cruz Perez and members of the Committee, thank you for the opportunity to testify today.

My name is Ray Lamboy, and I serve as the CEO of the Latin American Economic Development Association, or LAEDA, based in Camden, New Jersey.

LAEDA has been serving entrepreneurs and small business owners for nearly four decades. Each year, we work with hundreds of individuals across Camden County and throughout South Jersey, providing business education, one-on-one coaching, and access to capital. Our work is grounded in direct, on-the-ground experience supporting entrepreneurs in underserved communities.

I appreciate the Committee's focus on how to facilitate the starting and growing of businesses in New Jersey. I would like to offer a perspective from the grassroots level—where many entrepreneurs actually begin.

In communities like Camden, entrepreneurship is often driven by necessity. Individuals are working to generate income, support their families, and build stability in environments where access to capital, networks, and formal business training is limited.

At this level, starting a business is not just a transactional process—it is developmental.

And that distinction matters.

I think it is also important to clarify what we mean when we talk about "small business" at the grassroots level.

Under the U.S. Small Business Administration definition, a small business can be a company with hundreds of employees and significant revenue.

That is not who we typically serve.

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The entrepreneurs we work with are much smaller in scale. They are often solopreneurs or family-run businesses, sometimes employing one or two additional people. Most have fewer than five employees and generate less than $250,000 in annual revenue.

These businesses are also disproportionately located in underserved, low-asset communities, where the challenges they face—limited access to capital, fewer professional networks, and less exposure to formal business systems—are even more pronounced.

And because of that, their needs are fundamentally different.

Mainstream business support systems are often designed for individuals who already have access to capital, established networks, and a baseline level of business knowledge.

Grassroots entrepreneurs typically have none of those things.

As a result, facilitating business development at this level requires a high-touch, relationship-based approach that goes beyond workshops or access points. It requires sustained engagement, practical training, and one-on-one guidance over time.

At LAEDA, our work focuses on building that foundation.

Over the past three years, we have trained 689 entrepreneurs, provided one-on-one counseling to 839 business owners, supported 111 business starts or expansions, helped create or retain approximately 476 jobs, and assisted clients in accessing over $900,000 in capital.

These outcomes reflect something important:

When you invest in the capacity of entrepreneurs at the grassroots level, you generate real economic impact—real businesses, real jobs, and real participation in the local economy.

But these outcomes do not happen without infrastructure.

If we want to truly facilitate business formation and growth in New Jersey—particularly in communities like Camden—we need to strengthen the systems that support entrepreneurs before they are capital-ready.

That includes:

- Business education that is practical and accessible
- One-on-one technical assistance that is sustained and individualized
- Structured pathways that prepare entrepreneurs to responsibly access capital

At LAEDA, we are working to align these elements through our programming and through the expansion of our pre-CDFI Business Capital Solutions Initiative, which connects education and technical assistance directly to lending opportunities.

This type of integrated model is essential.

Because without preparation, access to capital alone is not enough.

And without capital, training alone has limited impact.

From a policy perspective, I would offer this:

If the State is looking to strengthen small business growth, there should be a clear distinction between:

- Access-based strategies, which focus on availability of resources
  and

- Capacity-building strategies, which ensure entrepreneurs are actually able to use those resources successfully

Both are important. But at the grassroots level, capacity-building is what determines outcomes.

In closing, facilitating the starting and growing of businesses in New Jersey requires more than opening doors. It requires preparing people to walk through them successfully.

At the grassroots level, that preparation is where the work happens—and where the impact is realized.

Thank you for your time, and I welcome any questions.

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WRITTEN TESTIMONY

Statewide Hispanic Chamber of Commerce of New Jersey

NJ Senate Budget & Appropriations Committee • FY2027 Budget Hearing

Facilitating Small Business Growth in New Jersey • May 2026

Dr. Arturo Osorio, MBA
Secretary, SHCCNJ Board of Directors
Researcher, Entrepreneurship & Socio-Economic Development
Rutgers Business School
On behalf of Luis De La Hoz, President, SHCCNJ

Good morning, Chair and distinguished members of the Committee. We are grateful for this opportunity to share our solutions for starting and growing businesses in New Jersey.

I am Dr. Arturo Osorio, secretary of the SHCCNJ Board of Directors. I am also a researcher in entrepreneurship and socio-economic development at Rutgers Business School. Some of my involvements in the area of socio-economic development include developing a business development plan for Macau in the context of the Belt and Road investment plan, participation in the food security assessment for the City of Buenos Aires, Argentina, providing advice to the city of Baltimore on the use of post-COVID investment, and advising NJ-SBDC in their yearly planning. Regarding business training, I do business startup boot training camps in Berlin and New York, and have helped with the Rutgers Entrepreneurship Pioneer Initiative at Rutgers Business School. At the college level, I am the academic coordinator of the Rutgers Business School Entrepreneurship program.

Today, I am appearing on behalf of SHCCNJ President Luis De La Hoz. This statement is informed by my research, my work as a global business consultant, and the collective experiences of the members of the Statewide Hispanic Chamber of Commerce, New Jersey.

There are over 180,000 Hispanic-owned businesses in New Jersey — in every county, every industry, every community — employing neighbors, training workers and reinvesting in the places we call home. We are ready to grow and ready to partner.

We are the economy. We are open for business. And we are optimistic about the solutions and partnerships we can build together today.

IMPACT | I. We Are the Economy

2.1M	Hispanic residents — 22.7% of NJ [2]	**180,000+**	Hispanic-owned NJ businesses [3]
21.6%	of NJ's entire workforce [4]	**$127B+**	contribution to NJ's GDP [1]

42x

New Jersey's Hispanic community is one of the most economically powerful and diverse in the country — deeply rooted across all 21 counties, contributing more than $127 billion to this state's economy every year.[1][2]

According to U.S. Census Bureau American Community Survey data and community sources, the 11 origin communities with the largest population in New Jersey include:

- Puerto Rican (24.4%) — Newark, Camden, Trenton
- Dominican (18.1%) — Paterson, Perth Amboy, Newark, Jersey City, Passaic
- Mexican (11.5%) — Passaic city, statewide
- Ecuadorian (~7.5%) — Elizabeth, Passaic, Hudson-Passaic-Essex-Union corridor
- Colombian (7.2%) — Elizabeth, North Bergen, Paterson, Bergen County
- Cuban (4.9%) — Union City, West New York — 2nd largest Cuban community outside Florida
- Salvadoran (~120K, undercounted by Census) — Union City, Hudson, Union, Essex, Bergen [19]
- Peruvian (75K–200K, undercounted by Census) — Paterson's Little Lima, East Newark [19]
- Guatemalan, Honduran, Venezuelan — fastest-growing communities — Morris and Hudson counties

The NY-Newark-Jersey City metro is the **2nd largest** concentration of Hispanic employer firms in the entire country, with 28,949 firms.[6] New Jersey is already a national leader. The question before this committee is how state policy can accelerate economic opportunity for and with small businesses.

READINESS | II. The Diagnosis — Structure Is the Barrier, Not Ambition

The Hispanic small business community in New Jersey represents an extraordinary opportunity for growth, for partnership, and for this state's economic future. Three structural realities have kept that opportunity from being fully realized. This committee can change that.

The Pass-Through Trap

More than 9 in 10 Hispanic-owned businesses are organized as sole proprietors, LLCs, or S-Corps.[7] Business income flows directly to personal tax returns, meaning owners are taxed as individuals before they can reinvest earnings to hire, expand, or compete. This is a structural ceiling. The proposed FY2027 budget's NOL cap, ABC adjustment changes, and FamilyCare employer fee all press down on this ceiling.[9]

The Employee Catch-22

Without paid employees, Hispanic-owned businesses are locked out of surety bonds, public procurement contracts, and capital products that require payroll history. But to afford employees, we need the revenue that contracts and capital would provide. Nationally, Hispanic-owned firms account for 8.4% of employer businesses[5] — far below their share of the workforce and population. In New Jersey, where Hispanics are 21.6% of the workforce,[4] that gap— between a $250,000 equipment grant and a $10 million tax credit threshold represents tens of thousands of businesses working hard but structurally prevented from scaling.

The Scale Gap

The tools New Jersey has built for business growth are calibrated for businesses that are already at scale. The Next NJ Manufacturing tax credit requires a $10 million minimum capital investment and 20 new full-time jobs.[17] Bonding programs assume existing credit history and collateral. Hispanic-owned businesses in construction, manufacturing, food production, and transportation are largely operating at the $500K–$2M revenue level. They are below the floor of every major state incentive program.

43x

RELATIONSHIPS III. The Workforce Is Already Here. The Owners Should Be Too.

New Jersey does not need to recruit a construction and manufacturing workforce. It already has one — and it is largely Latino.[13]

Latino workers are not entry-level participants in New Jersey's construction trades, manufacturing floors, food production facilities, and transportation networks. They are the skilled backbone of sectors that NJ's infrastructure and economic growth depend on every single day. Hispanic-owned firms in these industries are not outside competitors trying to break in. They are the most natural, most efficient, and most community-aligned employers of the workforce that already exists.

When a Latino-owned construction company wins a public contract, it does not struggle to find workers — it promotes from within its community. When a Hispanic manufacturer scales, it creates jobs for workers already living in the neighborhoods where New Jersey needs economic growth most. This is not a social justice argument. It is an economic efficiency argument.

> New Jersey's own 2024 disparity study found that minority-owned businesses represented 27.97% of available construction businesses yet received only 3.69% of prime construction contract dollars. That gap is a policy opportunity — and this committee can close it.

VISIBILITY IV. Latinos in Tech — The Invisible Frontier

The conversation about Hispanic business in New Jersey defaults to construction, food service, and retail. Those sectors matter enormously, and we address them directly. But there is a second frontier this committee rarely hears about: Latino entrepreneurs in technology.

Latino founders receive less than 2% of venture capital nationally[18] — despite representing nearly a quarter of New Jersey's population and being among the fastest-growing business owners in the country. Latino-owned businesses grow at a median rate of 25% annually, outpacing white-owned businesses by nearly 3 to 1. That 2% is not a reflection of the talent pool. It is a reflection of who has access to the networks, capital, and visibility that the innovation economy runs on.

For example, a board member of the chamber, Elisa Charters, a Latina AI founder and NJ business advocate, has developed Juegos Social — a mobile application deployed serving global events, including the upcoming 2026 FIFA World Cup.[21] Her work sits at the intersection of artificial intelligence, community engagement, and Latino cultural identity. She is not the exception. She is the leading edge of a Latino tech entrepreneurship movement that is largely invisible to the innovation infrastructure this state has built — and largely excluded from the capital and networks that would accelerate it.

AI is not a future consideration for small business growth. It is a present-tense equalizer. A Latino-owned construction firm using AI for bid preparation can compete for public contracts it could never have pursued before. A Dominican food manufacturer using AI for demand forecasting can grow without hiring a logistics team first. New Jersey should be the state that puts those tools within reach of every Hispanic entrepreneur.

IMPACT | V. We Are Not a Moment. We Are the Economy.

The 2026 FIFA World Cup at MetLife Stadium is a vivid illustration of something that is true every single day in New Jersey: the Hispanic community is not a spectator in this state's economy. We are the workforce, the entrepreneurs, the consumers, and the builders who make it run.[21]

When the world comes to New Jersey this summer, it will be fed, transported, housed, secured, and entertained — in large part by Latino workers and Latino-owned businesses. That is not a World Cup story. That is a New Jersey story. It has been true for decades, and it will be true long after the final whistle.

The same is true in technology. "***Juegos Social***," developed by Latina AI founder Elisa Charters, is proof that Latino-built technology belongs on the world stage and that New Jersey is where it is being built. She is the leading edge of what is possible when Hispanic entrepreneurs have access to capital, networks, and markets.

We, the Hispanic business community, are ready to level the playing field. And we invite this committee to invest in us — because investing in New Jersey's Hispanic businesses is investing in New Jersey's economic vitality. We are already contributing $127 billion to this state's GDP every year.[1]

This is a vital moment to align policy that recognizes our profound impact on NJ's economy.

ACCESS | VI. What Exists, What's Missing, and Why the Gap Matters

We acknowledge and credit the work already done. Business.NJ.gov has integrated 32 state agency systems and helped more than 65,000 businesses form — a genuine achievement.[22] The NJ Capital Access Fund exists. The Manufacturing Voucher Program exists. The bonding readiness program exists. The MBE certification framework was updated in 2024.[15] These are real investments, and we recognize them, including the statewide permitting dashboard, a cross-agency tool designed to make the permitting process more transparent, accountable and accessible for businesses across New Jersey. We were honored when President John Lucas was invited to speak at Governor Sherrill's permitting dashboard announcement — a recognition of SHCCNJ's role as a trusted policy partner. We are here today in that same spirit: ready to build on what works.

Now, we can scale NJ's economy more intentionally with policies that reflect our community's impact throughout the state.

As of mid-2025, the $100 million Capital Access Fund had deployed $8.6 million to 100 businesses.[16] At that pace, serving New Jersey's more than 180,000 Hispanic-owned businesses in any meaningful way would take generations. The programs exist. They are dramatically underscaled and not reaching our community at the rate the opportunity demands.

On manufacturing specifically, the Manufacturing Voucher Program provides valuable equipment grants, and we credit it. But equipment grants alone do not address the full barrier facing small Hispanic manufacturers. There is no manufacturing-specific capital program that combines working capital, equipment financing, bonding support, and workforce investment for businesses in the $500K–$2M revenue range trying to scale. The Next NJ Manufacturing tax credit requires a $10 million minimum capital investment — a threshold that excludes virtually every Hispanic-owned manufacturer in New Jersey.[17]

That gap — between a $250,000 equipment grant and a $10 million tax credit threshold — is where our community's manufacturers live. It is the missing middle of NJ's manufacturing incentive landscape. And it is where a targeted investment would produce the greatest return.

45x

READINESS | VII. Four Proposals to Break the Loop

These proposals are targeted, actionable, grounded in documented gaps, and achievable in this legislative session. Each removes a specific friction point. Together they represent a coherent strategy to unlock what is already here.

Proposal 1 | ACCESS — A Hispanic Business Capital Access Initiative

The employer-firm ownership gap is a capital access problem.[6] Hispanic-owned businesses are significantly less likely to receive loan approval even with comparable credit profiles, profitability, and years in business — a documented pattern, not an anecdote.

We propose the legislature direct NJEDA to establish a dedicated Hispanic Business Capital Access Initiative — one scaled to the actual size of this community, designed around the business structures our members use, and delivered through organizations that already have trusted bilingual relationships in Latino business corridors.

The state has built the right tools. We are asking that they be resourced and targeted to reach us. As of mid-2025, the $100 million Capital Access Fund had deployed $8.6 million to 100 businesses.[16]

The community it needs to serve is more than 180,000 strong. SHCCNJ knows we can close that gap – with you.

Proposal 2 | VISIBILITY + READINESS — Procurement Access and Business Visibility

In January 2024, New Jersey released its first statewide disparity study since 2005. It found statistically significant disparities in contracting with Hispanic-owned businesses across construction, professional services, and goods and services.[14] The state did the legal homework. The legislature now needs to act on it.

We make one specific, immediate ask: formally integrate SHCCNJ's **Business Link** into state procurement outreach infrastructure. Business Link is a bilingual, searchable directory of Hispanic-owned businesses across all 21 New Jersey counties. It is live. It is maintained. When procurement officers say they cannot find qualified MBE subcontractors — and they do say this — Business Link is the answer. It already exists with over 2,000 members, from corporate companies to local neighborhood shops. The state simply needs to use it.

Beyond that, we ask the legislature to establish MBE participation goals grounded in the 2024 disparity study and require prime contractors on state contracts to document and report subcontracting to certified MBEs. The study provides the legal foundation. The directory provides the pipeline. What is missing is the political will to connect them.

Proposal 3 | READINESS — A First Employee Tax Credit

One of the most significant barriers to small business growth is hiring the first paid employee. This single step strengthens access to bonds, contracts, and capital products that require payroll history — and converts a sole proprietor into an employer firm eligible for programs currently out of reach.

We propose a refundable First Employee Tax Credit:

- A $5,000 state income tax credit for each of the first three employees hired by a sole proprietor or single-member LLC that previously had no paid employees.
- Made refundable so that businesses in early growth stages, not yet at full profitability, can benefit immediately.
- Sunset after three years per business — focused on the transition from nonemployer to employer firm, not ongoing operations.

4Gy

More than 9 in 10 Hispanic-owned businesses nationally are sole proprietors without paid employees.[7] This credit is a direct, targeted tool to change that — and every sole proprietor who hires a first employee expands New Jersey's tax base in the process.

Proposal 4 | EDUCATION — Modernize and Amplify What's Already Working

SHCCNJ does not need the state to build new education infrastructure for Hispanic entrepreneurs. We already have it — and the state already partially funds it. Our signature bilingual programs — the **Entrepreneurship Training Program** and the **Level Up Training Series** — are graduating top talent. Business owners who complete our programs are starting companies, hiring employees, and growing revenue. These programs are already partially state-funded. The return on that investment is real and measurable.

- Increase funding of SHCCNJ signature programs by 15% to expand classes related to LMS training and AI tools literacy as a formal component of both programs — giving every participant a working understanding of how AI reduces labor costs, improves bid competitiveness, and enables scaling without hiring first.
- Increase state funding for these signature programs to expand capacity and reach more of New Jersey's 180,000+ Hispanic-owned businesses across all 21 counties.
- Route NJEDA and NJSBDC small business education through organizations that already have community trust and bilingual capacity — rather than building parallel state infrastructure.
- Elevate Latino tech founders within NJ's innovation ecosystem: direct NJEDA's Strategic Innovation Centers, venture support, and accelerator programs to actively recruit and fund Latino entrepreneurs. They are building scalable companies in New Jersey right now. They deserve a seat at the table NJ has built for innovation.

RELATIONSHIPS | VIII. SHCCNJ as State Partner — We Are Open for Business

SHCCNJ has not waited for the state to solve these problems. We built the infrastructure. We run the programs. We hold the relationships. And we are extending a formal offer of partnership.

Our **Business Link** is a bilingual business directory — live, searchable, covering Hispanic-owned businesses across all 21 NJ counties. It is the tool that procurement officers, prime contractors, and corporate supplier diversity programs need and currently lack. We built it. We maintain it. It is ready today.

Our signature bilingual programs — the **Entrepreneurship Training Program** and the **Level Up Training Series** — are graduating top talent. Business owners who complete our programs are starting companies, hiring employees, and growing revenue. These programs are already partially state-funded. The return on that investment is real and measurable.

Wise businesses already know this. Corporate partners across New Jersey — in finance, healthcare, construction, technology, and consumer goods — partner with SHCCNJ because reaching the Hispanic market, tapping the Hispanic workforce, and building with Hispanic entrepreneurs is not charity. It is a strategy. The state should operate with the same business logic.

Entrepreneurship Training Series, the PSE&G Small Business Certification and Readiness Training Program, the Bonding Readiness Program, and the Export-preneur Program — and is expanding through an innovation hub at NJCU, backed by NJEDA. We bring direct bilingual relationships across all 21 counties, serving the full diversity of New Jersey's entrepreneurial economy — including nearly half non-Latino members who choose SHCCNJ for results.[20] SHCCNJ currently delivers five programs — the Entrepreneurship Training Program, the Level Up

47x

What we need from the state is amplification and partnership. New Jersey's Hispanic business community is the state's opportunity to seize.

ADVOCACY | IX. FY2027 Budget — Three Provisions Working Against These Goals

As the public and private sector voice for New Jersey's Hispanic business community, we must identify three provisions in the proposed FY2027 budget that will make it harder to start and grow a business — not by design, but because they fall disproportionately on pass-through structures where Hispanic entrepreneurs are concentrated.[5]

1. NOL Deduction Cap — $1M Ceiling (CBT 2026–2028)

Caps net operating loss carry-forwards at $1 million. Hispanic businesses in construction, hospitality, and retail run cyclical losses by nature. They used NOL carry-forwards to survive COVID, supply chain disruption, and now federal tariff cost spikes of 10–50%.[11] Capping the deduction at $1M mid-crisis while simultaneously asking these businesses to grow and hire is contradictory policy.

- Legislative modification: *Exempt businesses under $5M gross revenue, or extend the NOL window through FY2030.*

2. ABC Adjustment — Pass-Through Owners

Changes affect LLCs, S-corps, and partnerships — the dominant structures for Hispanic-owned businesses. Per NJBIA, approximately 10,000 taxpayers face increased liability.[10] For a sole proprietor who just hired a first employee and is reinvesting every dollar into growth, an unexpected tax increase directly offsets the First Employee Tax Credit proposed above. These policies work against each other.

- Legislative modification: *Maintain current ABC thresholds for businesses under 500 employees, or phase in over three years.*

3. NJ FamilyCare Employer Fee — 50+ Workers

Creates a growth cliff at exactly the threshold where Hispanic businesses are trying to scale. A business owner who has grown from sole proprietor to 45 employees — a genuine New Jersey success story — now faces a financial penalty for reaching 50.[9] State policy at this moment should be accelerating growth, not taxing it.

- Legislative modification: *Raise threshold to 100+ employees. Cap fee at 2% of per-worker annual wages.*

IMPACT | X. The Opportunity Before This Committee

New Jersey has the opportunity to demonstrate that a state grows its economy by investing in its most entrepreneurially active, most workforce-ready, and most deeply rooted communities — not despite them, but because of them.

The four proposals before you are targeted, achievable, and grounded in data this state has itself produced:

- **Capital access** calibrated to where these businesses actually are — not where the programs were designed
- **Procurement visibility** backed by NJ's own 2024 disparity study and powered by Business Link
- **A first-hire tax credit** that breaks the structural catch-22 holding 9 in 10 Hispanic-owned businesses below their potential
- **Bilingual education modernized for the AI economy** — through programs already running, already partially funded, already producing results

None of these require new agencies or new bureaucracies. They require political will and the recognition that the infrastructure is already here.

The three FY2027 budget modifications we have requested are not large asks. They are adjustments that acknowledge how Hispanic businesses are actually structured — and prevent three well-intentioned fiscal measures from landing as penalties on a community that contributes $127 billion to this state.

The opportunity now is to build a stronger New Jersey economy together by connecting our business community more directly with public policy, resources, procurement, capital, and partnerships.

We are grateful to this committee for the opportunity to testify today. Our presence here reflects something important: New Jersey has recognized that its Hispanic business community is not a constituency to be managed — it is a partner to build with. We take that seriously, and we show up accordingly.

The infrastructure exists. The programs exist. The relationships exist. SHCCNJ has been here since 1989. What remains is closing the gap between what has been built and who it is reaching — and aligning policy with the economy New Jersey is ready to build. We are here, ready and eager to do that work together.

Respectfully submitted,

Dr. Arturo Osorio, MBA
Secretary, Board of Directors — SHCCNJ
Researcher, Rutgers Business School
On behalf of Luis De La Hoz, President, SHCCNJ

Elisa Charters
AI Founder & NJ Business Advocate
Founder, Juegos Social • SHCCNJ Member

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Notes and Sources

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50x

African American Chamber of Commerce of New Jersey

Accredited State Chamber of Commerce with Distinction
U.S. Chamber of Commerce

May 21, 2026

Re: Senate Economic Growth Committee

As an organization committed to supporting entrepreneurs, small businesses, and minority-owned enterprises throughout our state, we regularly hear directly from business owners about both the opportunities and the barriers that exist in New Jersey's business environment.

Today, I would like to respectfully offer several recommendations for legislative consideration.

1. Simplify and Streamline Business Processes

Starting a business in New Jersey can still feel overly complicated and fragmented.

We encourage the Legislature to support:

- A true "one-stop" digital business portal for licensing, permits, registrations, and compliance;
- Faster turnaround times for approvals and certifications;
- Reduced administrative duplication between state, county, and municipal agencies; and
- Clearer guidance for first-time business owners.

2. Expand Access to Capital

Access to capital remains one of the greatest barriers to business growth.

Many small businesses, particularly minority-owned businesses, struggle to secure traditional financing despite having viable business models and strong community impact.

We encourage expanding:

- State-backed microloan and small business lending programs;
- Flexible grant opportunities for early-stage businesses;
- Technical assistance tied to funding opportunities; and
- Incentives for financial institutions that increase lending in underserved communities.

Capital access should not depend on existing wealth, legacy relationships, or geographic location.

51x

3. Strengthen Procurement Opportunities

New Jersey should continue strengthening pathways for small and minority-owned businesses to participate in public contracting opportunities.

This includes:

- Simplifying procurement processes;
- Reducing barriers to vendor registration;
- Increasing transparency around bid opportunities;
- Improving outreach and technical assistance; and
- Ensuring accountability around supplier diversity goals.

Small businesses cannot grow if they are excluded from meaningful economic participation.

4. Invest in Entrepreneurship Education and Technical Assistance

Many entrepreneurs do not fail because of lack of vision — they fail because they lack access to information, mentorship, legal guidance, accounting support, or operational training.

We encourage greater investment in:

- Business incubators and entrepreneurship hubs;
- Partnerships with chambers of commerce and community organizations;
- Financial literacy and business management education;
- Workforce development programs; and
- Support for youth entrepreneurship initiatives.

Economic mobility begins with opportunity and preparation.

5. Support Equitable Economic Growth Across Communities

6. Establish a pilot procurement initiative to incentivize partnerships with prime contractors and SBE firms from communities such as Trenton, Newark, Camden, Atlantic City, Paterson, New Brunswick

7. Hold a series of workshops on prequalification process with NJDOT, School Development Authority, NJ Turnpike Authority, NJ Transit

8. Marketing campaign to recruit SBE to register to do business on the state's portal

Lastly,

9. Immediately re-engage in the process to address the state's disparity study conducted 2015-2020 and released in 2024

In closing, the African American Chamber of Commerce of New Jersey stands ready to partner with legislators, state agencies, and stakeholders to help develop practical solutions that strengthen New Jersey's business ecosystem.

Thank you again for the opportunity to testify, and I look forward to continuing this important conversation.

Carmen Gates
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Testimony of Robin Berg Tabakin, Esq., MBA

President-Elect, NJ State Women's Chamber of Commerce
Before the New Jersey Senate Economic Growth Committee
May 21, 2026

Good Morning Senator Cruz Perez, Co-Chair Senator Turner, and esteemed members of the Committee,

My name is Robin Tabakin. I am President-Elect of the NJ State Women's Chamber of Commerce, President of the Board of Trustees of the Women's Center for Entrepreneurship Corp., an SBA Women's Business Center, and one of the founding members of the NJ Small Business Growth Council formerly NJ Diverse Business Advisory Council (NJDBAC - https://diversechambers.com/). I am also a small business owner holding New Jersey WBE and SBE certifications.

New Jersey's 1.1 million small businesses represent 99.7% of all businesses in the State, employ nearly half of New Jersey's workforce, and women-owned businesses now account for more than 41% of all NJ businesses. These businesses are not a niche segment of our economy — they are its foundation. Thank you for the opportunity to speak about how the Legislature can help them not only start, but survive, grow, hire, and reinvest here in New Jersey.

The data tells a more complicated story: even as new businesses are forming and jobs are being created, significant small business closures and employment losses are occurring at the same time. New Jersey has a strong entrepreneurial ecosystem, but many of those businesses remain economically fragile and highly vulnerable to operational barriers, administrative delays, and limited access to procurement opportunities.

In today's constrained budget environment, I respectfully submit that New Jersey does not need to create large new spending programs to accelerate small business growth. The State can achieve meaningful economic impact through practical structural reforms that improve transparency, reduce barriers to entry, increase competition, and expand access to existing public contracting opportunities. When New Jersey businesses obtain contracts, those dollars circulate throughout our State economy through employee wages, payments to local subcontractors, local purchasing, payroll taxes, and business reinvestment — ultimately strengthening New Jersey's tax base.

I respectfully offer the following recommendations for legislative consideration.

First, I recommend increasing the State's small business set-aside goal from 25% to 30% for State contracts, inclusive of small and diverse businesses. Current regulations establish a goal of awarding at least 25% of the dollar value of State contracts to eligible small businesses. Even a modest increase in participation by qualified New Jersey small businesses would meaningfully strengthen job creation and local economic activity throughout the State.

Second, I recommend extending small business participation requirements to county and municipal contracts involving State funding. Currently, counties and municipalities may establish small business set-aside programs, but they are not uniformly required to do so. To the best of my knowledge, only Hudson, Bergen, Essex, Mercer, and Middlesex Counties — along with Jersey City and Newark — maintain formal programs. If public dollars are being expended through State-supported projects, qualified small businesses should have meaningful access to those opportunities statewide, not just in select jurisdictions.

Third, and perhaps most importantly, I recommend that NJ START become the centralized statewide procurement portal for all Requests for Proposals, Requests for Quotations, and other public contracting opportunities involving State funding — including county and municipal projects supported by State dollars.

Other states have already demonstrated this model works. Maryland's eMaryland Marketplace Advantage system serves as a single portal where State agencies, counties, local governments, schools, and universities all post their public solicitations statewide. North Carolina's eProcurement system similarly covers state agencies, community colleges, school systems, and local governments under one platform. New Jersey can and should do the same.

Currently, procurement opportunities are fragmented across numerous State, county, municipal, agency, and third-party platforms. Many small businesses lack the administrative capacity to continuously monitor multiple systems, register repeatedly, pay subscription fees, or navigate inconsistent procurement processes. As a result, many qualified businesses never see the contracting opportunities for which they could successfully compete. A centralized portal would increase transparency, lower barriers to entry, and expand competition — which ultimately benefits taxpayers through better pricing, stronger innovation, and higher-quality services.

In addition to increasing visibility of procurement opportunities, New Jersey must also ensure that small businesses are equipped to successfully compete for and perform public contracts. Many small businesses need practical assistance to become "contract ready" — support with business plan development, capability statements, compliance requirements, access to capital, and procurement navigation. Small businesses should also be encouraged and trained to strategically partner with one another to increase collective capacity through subcontracting relationships and collaborative project structures. This not only allows smaller firms to compete more effectively, but helps circulate economic opportunity throughout our broader small business ecosystem.

I also respectfully recommend that the Legislature consider establishing reasonable agency accountability timelines for business-related approvals and licensing processes.

As a small business owner, I have personally experienced the economic harm caused by prolonged administrative delays. In April 2025, my company, Technoforce LLC, applied for a Certificate of Approval for a private career school. We paid a nonrefundable application fee, obtained a required tuition performance bond, and subsequently incurred additional costs renewing that bond — because the application remains pending more than a year later, with multiple status inquiries going unanswered.

For small businesses operating with limited cash reserves and limited administrative resources, these delays are not merely inconvenient — they postpone hiring, workforce development, business expansion, and revenue generation. Unlike large corporations, small businesses cannot absorb prolonged uncertainty.

Accordingly, I respectfully recommend:

- Establishing reasonable statutory timelines for agency approval or denial of applications;
- Requiring agencies to respond to business inquiries within a defined timeframe;
- Requiring greater transparency regarding application status;
- Reconsidering the timing of required financial obligations, such as performance bonds, during extended review periods.

Businesses can adapt to rules and regulations. What is most damaging to small businesses is uncertainty, fragmentation, and lack of responsiveness.

Finally, I urge the Legislature to continue supporting organizations that provide training, counseling, technical assistance, and business development services to New Jersey small businesses. Organizations such as the Women's Center for Entrepreneurship — an SBA Women's Business Center — provide practical assistance that many small businesses otherwise cannot afford. These services help entrepreneurs start businesses, stabilize operations, become procurement ready, access financing, and position themselves for growth. During periods of economic uncertainty, allowing small business support funding to sunset or go unreplaced may unintentionally weaken the very businesses that drive local job creation and economic activity. These programs require investment, but they generate long-term returns through business growth, employment, and an expanded State tax base.

New Jersey has a tremendous opportunity to strengthen small business growth not only through funding programs, but through practical structural reforms that improve access, transparency, accountability, and competition. By reducing barriers to entry, expanding procurement access, increasing visibility of opportunities, improving government responsiveness, and supporting contract readiness, we can help New Jersey's small businesses not only start — but survive, grow, hire, and reinvest in our State economy.

Thank you again for the opportunity to testify today. I would be pleased to answer any questions.

Employer Roundtables

NJ Leave laws are changing. Let's talk.

New Jersey's expanded TDI and FLI laws are generating leave administration & compliance questions employers can't afford to ignore. EANJ is hosting a series of employer roundtables to hear how this will impact your organization and bring those concerns directly to our legislators.

Join us at one of three sessions.

June 2 10:30am	M. Allan Vogelson Branch, Camden County Library Voorhees
June 9 1:00pm	NEC Laboratories America Princeton
June 16 9:30am	Morris County Library Whippany

No cost to attend.
Registration required at www.eanj.org

EANJ
Employers Association of New Jersey

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CHAMBER OF COMMERCE
SOUTHERN NEW JERSEY
Connecting the region since 1873

MEMORANDUM

TO: Members of the Senate Economic Growth Committee

FROM: Hilary Chebra, Director, Government Affairs, *CCSNJ*

RE: Testimony on Business Growth in New Jersey

DATE: May 21, 2026

On behalf of the Chamber of Commerce Southern New Jersey (CCSNJ), thank you for the opportunity to provide testimony regarding how New Jersey can better support the creation, retention and expansion of businesses throughout our state. We appreciate the Committee convening this important discussion and engaging stakeholders on ways the Legislature can assist employers and entrepreneurs as it considers additional economic growth initiatives during the remainder of the legislative session.

The CCSNJ represents more than 1,200 member companies throughout the seven southern counties of New Jersey. Our membership includes small family-owned businesses, start-ups, mid-sized companies and major employers in sectors including healthcare, manufacturing, logistics, retail, energy, hospitality and professional services. While these industries vary greatly, they share a common concern: New Jersey remains a difficult and expensive place in which to start, operate and grow a business.

From the CCSNJ's perspective, South Jersey presents tremendous economic opportunity for the State. Our region benefits from available land for development, proximity to major metropolitan markets, a growing logistics and manufacturing presence, world-class healthcare institutions, tourism assets and a strong network of small businesses that serve as the backbone of local communities. With the right policy environment, South Jersey is uniquely positioned to attract additional private investment, job creation and long-term economic growth. However, to fully capitalize on those opportunities, the State must address several persistent challenges that continue to hinder business growth and competitiveness.

New Jersey possesses many competitive advantages, including its highly educated workforce, strategic location, transportation infrastructure and access to major consumer markets. However, businesses continue to face significant challenges related to affordability, regulatory complexity, workforce shortages and uncertainty surrounding the overall cost of doing business in the state. In South Jersey particularly, businesses often face additional challenges tied to regional transportation connectivity, workforce attraction and the need for greater investment in infrastructure that supports economic expansion.

To facilitate business growth, the State must prioritize policies that create greater **predictability, efficiency and affordability** for employers. Businesses are more likely to invest, hire and expand when they have confidence in the stability of the State's economic and regulatory environment.

The CCSNJ strongly encourages the Legislature to continue pursuing opportunities to **streamline permitting and regulatory processes** across state government. Businesses frequently encounter lengthy delays, duplicative requirements and inconsistent timelines when seeking approvals for construction, expansion projects, licensing and other operational needs. These delays can significantly impact investment decisions, project viability and the ability of companies to grow in New Jersey rather than neighboring states.

New Jersey should continue modernizing and coordinating these processes to reduce unnecessary administrative burdens. Greater interagency coordination, clearer timelines for approvals and expanded digital access to permitting systems would improve efficiency and make New Jersey more competitive regionally. The CCSNJ appreciates that Governor Sherrill and the Legislature have already taken important steps to address these concerns, including the establishment of the cross-agency Permitting Governing Council as well as legislation currently moving in the legislature to establish a tracking system for permitting. These efforts represent meaningful progress toward identifying inefficiencies and improving transparency within the permitting process.

Additionally, **affordability and competitiveness** must remain central to any discussion surrounding business growth in New Jersey. Employers continue to face rising costs associated with labor, healthcare, insurance, energy and taxes. Particularly for small and mid-sized businesses, the cumulative impact of mandates, fees and regulatory requirements can create substantial operational challenges.

The CCSNJ urges policymakers to carefully evaluate the impact of new legislative and regulatory proposals on employers, particularly within the context of New Jersey's already high cost of doing business. Even well-intentioned policies can create unintended consequences when layered onto existing obligations. Businesses need a stable and predictable environment that encourages investment rather than uncertainty.

Workforce development also remains one of the most pressing concerns facing employers across industries. Businesses throughout Southern New Jersey continue to report difficulty recruiting and retaining workers at all skill levels. Addressing workforce shortages will require stronger alignment between employers, educational institutions and workforce development programs.

The State should continue investing in partnerships with county colleges, vocational schools, universities and the private sector to create workforce pipelines into high-demand industries such as healthcare, manufacturing, logistics, construction and technology. Expanding apprenticeship opportunities, career and technical education programs and upskilling initiatives can help ensure businesses have access to the talent needed to grow and compete.

Additionally, **small businesses and entrepreneurs require greater support and flexibility** to succeed in New Jersey's economic environment. Small businesses are often disproportionately impacted by regulatory complexity and rising operational costs because they lack the resources available to larger employers. Expanding access to technical assistance, capital programs and small business support services can help entrepreneurs successfully launch and sustain businesses in our communities. Supporting small business growth is especially important in South Jersey, where local businesses play a critical role in community development, downtown revitalization and regional job creation.

CCSNJ also believes the Legislature should continue focusing on policies that encourage **investment in infrastructure** and economic connectivity. Reliable transportation systems, energy infrastructure and broadband access are critical components of a strong business climate. In South Jersey particularly, businesses rely heavily on efficient roadway infrastructure and regional connectivity to move goods, access labor markets and serve customers. Continued investment in roads, bridges, freight mobility and public transportation will be essential to supporting future economic growth in the region.

Importantly, policymakers should recognize that different regions of New Jersey face distinct economic realities and business needs. South Jersey's economy relies heavily on sectors such as healthcare, manufacturing, logistics, tourism and small business development, and economic policies should account for those regional differences when considering statewide initiatives. A one-size-fits-all approach to economic policy often overlooks both the unique opportunities and challenges facing Southern New Jersey.

Finally, CCSNJ encourages **continued dialogue between the Legislature and the business community** throughout the legislative process. Employers value the opportunity to provide practical, real-world feedback regarding how proposed legislation and regulations may impact hiring, investment and daily operations. Collaboration between policymakers and stakeholders is essential to advancing balanced policies that strengthen New Jersey's economy while maintaining the State's broader policy objectives.

The CCSNJ looks forward to continuing to work with the Legislature and the Administration to advance policies that improve New Jersey's business climate, support economic growth and strengthen the long-term competitiveness of both Southern New Jersey and the state as a whole.