

To: Chairwoman Pou, Vice-Chairman Cryan & Members of the Senate

Commerce Committee

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RE: NJBIA Testimony Supporting S-3939 (Lagana, Gopal) -

<u>Legislation to Require Calculation of National Average Time Needed to Approve Applications for Initial Credential in Profession or Occupation</u>

and Use of Average Time as Standard in New Jersey

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On behalf of our member companies that make NJBIA the largest, most impactful association representing business in New Jersey, we strongly support S-3939, which will inform best operating practices for the approval of professional and occupational credentials and require the funds collected as part of the credentialing process be reinvested in order to administer these best practices.

Operating procedures within the Division of Consumer Affairs have long been a challenge for the business community. The pandemic further exposed and exacerbated many of the broken systems within the Division that need to be resolved in order to mitigate hindrances to business and professional growth in our state.

NJBIA sent a <u>coalition letter</u> with nearly 40 signatories representing licensed professionals across various industries to the Attorney General last year highlighting the systemic challenges professionals face when dealing with the Division. This legislation addresses many of the challenges the business community raised in that <u>letter</u> and will greatly enhance the ability of professionals to get licensed and begin working in our state.

## **Unacceptable Consequences of Fund Diversion:**

For decades, revenue generated by the Division from licensing fees has been diverted from the Division to other agencies and departments across state government. This diversion of funds has left the Division under-resourced despite its standing as a large revenue generator in the state.

Delays in the approval of professional and occupational credentials contribute to the existing staffing shortage experienced by many industries in the State. Having to wait months for professional and occupational boards to schedule practical examinations required for licensure or to review and process submitted applications only to determine more information is needed by the applicant sends a message that the individuals seeking to enter New Jersey's workforce and answer the call to alleviate industry shortages are not a priority.

## **Prioritizing the Implementation of Best Practices:**

We support S-3939 and its:

- Data-driven approach to identify and implement a national average time for approving initial credential applications.
- Required review and implementation of best practices to ensure the Division is effectively and efficiently approving applications.
- Mandated reinvestment of credentialing fees to each board, providing the financial resources necessary to implement effective best practices.

Through this legislation and its requirement to reinvest funds into the Division to improve the application approval process, the State has the opportunity to address the matters that will yield more efficient operations, such as:

- Modernizing the many antiquated IT systems that have long been broken within the Division, which will allow for greater capacity and efficiency for licensed professionals and state employees.
- Technology upgrades which will allow for more streamlined digital processes that can make applications more user-friendly for businesses and licensed professionals.
- Maintaining an adequate number of well-trained professional support staff for all
  licensing boards that work in coordination with licensing boards, the Division, and the
  public and are well versed in the needs and job functions of the professionals they
  regulate.
- Customer service training and profession-specific subject matter training for Division
  employees to ensure they have the tools needed to address public inquiries in a timely,
  effective and respectful manner.
- Encouraging all licensing board vacancies to be filled in a timely manner.

Passing S-3939 will assist the Division with properly serving the thousands of licensees regulated by the dozens of licensing boards in Consumer Affairs that play a significant role in powering our economy by mandating the reinvestment of licensee funds to Division operations to ensure timely approval of initial credential applications. NJBIA thanks you all for consideration of our perspective on this bill. Please free to email me at <a href="mailto:aford@njbia.org">aford@njbia.org</a> if you have any questions about our position on this or any piece of legislation.