



New Jersey Economic Development Authority

REQUEST FOR INFORMATION (“RFI”)

2024-RFI-199

for

Development of a Statewide Employee Ownership Program (“ESOP”)

1. INTENT/SUMMARY OF SCOPE

The New Jersey Economic Development Authority (“Authority”), an independent Authority of the State of New Jersey, is seeking information and ideas from qualified entities (“Respondents”).

This Request for Information (RFI) is issued by the New Jersey Economic Development Authority (“Authority”, “NJEDA”) to seek information from firms and individuals with perspectives on the proven best practices, potential challenges and appropriate considerations relevant to the development of a Statewide Employee Ownership program. The creation of such program would aim to engage interested parties, potential consultants, and eligible businesses in the establishment and success of an employee ownership model with the support of the Authority. The NJEDA is interested in receiving comments, questions, recommendations, facts, information, ideas, and responses that will help the NJEDA better understand the scope and characteristics of Employee Ownership – highlighted as a potential Wealth Disparity Initiative by the Governor’s Wealth Disparity Task Force – in anticipation of the development of a Statewide Employee Ownership Program.

2. BACKGROUND

The New Jersey Economic Development Authority serves as the State’s principal agency for driving economic growth. The Authority is committed to making New Jersey a national model for inclusive and sustainable economic development by focusing on key strategies to help build strong and dynamic communities, create good jobs for New Jersey residents and provide pathways to a stronger and fairer economy. Through partnerships with a diverse range of stakeholders, the Authority creates and implements initiatives to enhance the economic vitality and quality of life in the State and strengthen New Jersey’s long-term economic competitiveness.

The Wealth Disparity Task Force (WDTF), under [Executive Order 262](#), was charged to examine the causes of and remedies for the long-standing racial and ethnic-based wealth disparities in New Jersey. Each of the five working groups were tasked with offering recommendations in the areas of criminal justice, economy, education, health, and housing. During the course of its work, the Wealth Disparity Task Force

recommended broadening employee ownership opportunities in New Jersey to support asset limited income constrained workers. (ALICE – United Way).

3. ELIGIBILITY CRITERIA (If applicable)

NJEDA is soliciting input from any of the following groups: New Jersey-based businesses of any size and industry; Employee-Owned entities located within the United States; Employee Stock Ownership Plan (ESOP) technical assistance providers; Chambers of Commerce and other business advocacy organizations; business and entrepreneurship support organizations; Community Development Financial Institutions (CDFIs) and Minority Depository Institutions (MDIs); policy and academic researchers; foundations and philanthropic initiatives that support Employee Ownership and/or work to address socioeconomic disparities; any other individual or entity who has perspectives or experiences relevant to this Request for Information.

4. RFI RESPONSE QUESTIONS

Description of your role and qualifications related to creating, administering, or contributing to a statewide Employee Ownership Programs:

- 1) Please provide information on your organization, group, government entity, or self and your capacity and qualifications as they relate to Employee Ownership.
- 2) What is your experience with and understanding of Employee Stock Ownership Plans (ESOPs) Employee Ownership Trusts (EOTs), and/or Employee Ownership?
- 3) Which key areas are you/your organization most qualified to address (choose and explain how all that apply)?
 - a. Technical assistance relating to the conversion of a company to Employee Ownership
 - b. Business outreach and public education on Employee Ownership
 - c. Financial, technical, legal, and/or other needs of companies interested in converting to an Employee-Owned company
 - d. Statewide Employee Ownership financial product development and administration
 - e. Other, please explain

For Business Owners and Business Support Organizations – Experienced and/or potential challenges related to Employee Ownership Programs:

- 1) If your organization or entities with which your organization works have converted to an Employee-Owned entity:
 - a. What are some of the challenges your organization has directly experienced relating to Employee Ownership?
 - b. How successful was this opportunity to your organization?
 - c. What tools led to this success?
- 2) If your organization is not Employee-Owned but has considered converting to Employee Ownership:
 - a. What are some of the challenges your organization has become aware of relating to Employee Ownership?

- b. Are these challenges preventing you from taking action towards converting to Employee Ownership?
- 3) What types of financial or technical support have been/could be most critical to the conversion of a business to Employee Ownership? Please be as specific as possible.
- 4) Please provide any information relating to Employee Ownership that you feel is relevant for the NJEDA to understand.
- 5) Provide examples or experiences, if you are aware of any, related to industry best practices regarding other states launching and administering a statewide Employee Ownership program

For Employee Ownership Industry Partners, Researchers, Institutions, and Policy Experts – Experienced and/or potential challenges related to Employee Ownership:

- 1) In your experience, what are the ways in which Employee Ownership can support minimizing the wealth divide, especially for historically socioeconomically disadvantaged groups?
- 2) What types of financial or technical support have been/could be most critical to the conversion of a business to Employee Ownership?
- 3) What key considerations should the State be aware and mindful of during the development of an Employee Ownership program?
- 4) What financial mechanisms are most critical to developing a comprehensive public-facing Employee Ownership program?
- 5) What are industry standards and best practices to be considered when building a program to help support Employee Ownership plans?
- 6) What other states or entities have existing programs/models that have been successful in supporting efforts for Employee Ownerships plans? How was success defined specific to that program?
- 7) What industry sectors would be or have been most successful in the creation and implementation of Employee Ownership models?

5. **QUESTIONS AND ANSWERS** (From Respondents to the NJEDA)

All questions concerning this RFI must be submitted in writing no later than **12pm EST, on Wednesday, April 10th** via e-mail to: EmployeeOwnership@njeda.gov.

The subject line of the e-mail should state: "QUESTIONS-2024 RFI-199 Development of a Statewide Employee Ownership Program".

Answers to questions submitted will be publicly posted on the Authority's website on or about **Wednesday, April 17th** at: [Bidding Opportunities - NJEDA](#) as Addendum.

IT IS THE RESPONDENT'S RESPONSIBILITY TO CHECK THIS URL REGULARLY FOR UPDATES.

6. **RESPONSE DETAILS** (Info Provided to Respondents Regarding Document Submission)

All RFI responses must be submitted in writing no later than **11:59pm EST, on Wednesday, April 24th** via e-mail to: EmployeeOwnership@njeda.gov.

The subject line of the e-mail should state: "RFI Response-2024-RFI-199 Development of a Statewide Employee Ownership Program".

7. **FOLLOW-UP QUESTIONS** (from the NJEDA) / **ADDITIONAL INFORMATION**

Respondents may be asked to provide additional information to allow the Authority to better understand the responses or services available.

8. **PROPRIETARY AND/OR CONFIDENTIAL INFORMATION**

The Authority reserves the right to copy any information provided by the Respondents. The Authority reserves the right to use ideas that are provided by Respondents, applicants, stakeholders, or vendors. By submitting a Response, the submitter represents that such copying or use of information will not violate any copyrights, licenses, or other agreements with respect to information submitted or product solutions demonstrated, if applicable. Responses must clearly be marked for any information the Respondent deems Proprietary and/or Confidential.

9. **DISCLAIMER / NO OBLIGATION**

This RFI is not a request for qualification/proposal. It may or may not result in further action.

This RFI is issued solely as a means of gathering information regarding the Authority's desire to understand the types of products and level of service available in the market to meet the Authority's needs. Interested parties responding to this RFI do so at their own expense. There will be no monetary compensation from the Authority for the time and effort spent in preparing the response to this RFI. All expenses incurred are the sole responsibility of the Respondent.

Should the Authority decide to move forward and issue an RFQ/P or announce a program/product related to this RFI, Respondents need not have submitted a response to this RFI in order to be eligible to respond to the RFP. Should an RFQ/P be issued, responding to this RFI will not affect scoring or consideration for that process.

The Authority is under no obligation to contact Respondents to this RFI.

10. **NEW JERSEY OPEN PUBLIC RECORDS ACT**

Respondents should be aware that responses to this RFI are subject to the "New Jersey Open Public Records Act" ([N.J.S.A. 47:1A-1 et seq.](#)), as amended and including all applicable regulations and policies and applicable case law, including the New Jersey Right-to-Know law. All information submitted in response to the RFI is considered public information, notwithstanding any disclaimers to the contrary, except as may be exempted from public disclosure by OPRA and the common law.

Any proprietary and/or confidential information submitted in response to this RFI will be redacted by the Authority. A person or entity submitting a response to this RFI may designate specific information as not subject to disclosure pursuant to the exceptions to OPRA found at N.J.S.A. 47:1A-1.1, when such person or entity has a good faith legal and/or factual basis for such assertion (i.e. information that may be included in another ongoing public procurement or solicitation). The Authority reserves the right to make the determination as to what is proprietary or confidential and will advise the person or entity accordingly. The Authority will not honor any attempt to designate the entirety of a submission as proprietary, confidential and/or to claim copyright protection for the entire proposal. In the event of any challenge to the Respondent's assertion of confidentiality with which the Authority does not concur, the Respondent shall be solely responsible for defending its designation.