

MISSION TO DELIVER

TRANSITION 2026



Report of the Jobs, Opportunity, and Prosperity for All Action Team

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Expanding access to good-paying jobs and economic opportunities that allow New Jersey families to reach the middle class and build generational wealth should be among the most important functions of the state government. An economy that supports the success of all its residents and doesn't leave any

community behind is more conducive towards long-term community development, economic growth, and innovation than one based on an uneven economic playing field and opportunities only for some. New Jersey has made real strides towards these goals in recent years. Today, the Garden State is home to some of the most innovative and competitive companies in the world, New Jersey families earn among the highest median household income in the entire country, and we boast one of the best public education systems nationwide.

But too often in New Jersey, this opportunity and prosperity are out of reach for a significant share of families and communities. Instead of being inclusive and equitable, opportunity in our state is too often determined by ZIP code and access to educational and workforce opportunities at a young age. While New Jersey had the 2nd highest median income in the nation in 2024 according to the U.S. Census, we also had the 12th highest level of economic inequality and the 3rd highest unemployment rate. “More [workforce and educational] resources in and around Newark and Camden are badly needed,” noted one resident to the incoming Administration’s General Public Survey. “These programs open doors... but are often prohibitively expensive.” Furthermore, the 2024 New Jersey Disparity Study showed that access to contracts from the state government is still severely unequal across the Garden State, with significant gaps in opportunity for historically underrepresented businesses and communities. While real progress has been made in countering the historic legacy of redlining in the New Jersey, jobs, opportunity, and prosperity are still out of reach for too many residents.

This Transition Action Team is squarely focused on building inclusive economic growth and opportunity in New Jersey by expanding access to good-paying jobs, educational and workforce resources, and small business opportunities for families across New Jersey. This approach should be led from the top, with a new level of prioritization and resource allocation from the Front Office and state agencies. We urge the Sherrill-Caldwell Administration to commit to boosting opportunities for historically underrepresented businesses, expanding access to high-quality educational and workforce opportunities in all communities, and investing in employment opportunities for individuals with disabilities and the Second Chance community.

This will take a whole-of-government effort across agencies and levels of government, from expanding access to state contracts for historically underrepresented businesses to boosting coordination between institutions of higher education and the workforce system to investing in evidence-based apprenticeship and job training programs. The new Administration should ensure strong collaboration between the K-12 education system, 2- and 4-year colleges and universities, labor unions, and employers to support workers in accessing good-paying jobs and employers in filling in-demand positions.

To enact this new strategy, the Jobs, Opportunity, and Prosperity for All Action Team proposes that the Sherrill-Caldwell Administration consider several recommendations to accomplish the following key priorities:

- Reducing Disparities in Businesses’ Access to Opportunity, Capital, and State Contracts
- Expanding Evidence-Based Job Training and Apprenticeship Initiatives
- Investing in Higher Education and Workforce Pathways
- Supporting Jobs Programs in the Re-Entry System
- Boosting Opportunities for Individuals with Disabilities

The Transition Action Team understands that these recommendations need to fit into the broader context of all the Transition Action Team recommendations and will have to be prioritized accordingly. We also

recognize that these recommendations will need to be considered in the context of a challenging budget landscape, particularly with the impact of federal funding cuts, and where these recommendations are not budget neutral, they may need to be adjusted or prioritized.

Transition Action Team Recommendations

Reducing Disparities in Businesses' Access to Opportunity, Capital, and State Contracts

Recommendation: Launch a “One Open Door” Small Business Initiative that provides a one-stop shop for all state services available to small businesses and all state procurement and contracting access targets.

The Transition Action Team recommends that the Governor issue an Executive Order creating a “One Open Door” New Jersey Small Business Initiative under the Chief Operating Officer, which will consolidate and integrate overlapping small business-related services and programs currently spread across multiple state agencies under one roof with the authority to manage all small business support and referrals. The goal of this initiative should be to make it as streamlined and easy as possible for small businesses to understand the state resources that are available to them and take advantage of state funding, technical assistance, and trainings for which they are eligible, as well as to boost coordination between state agencies to more effectively support small business growth and job creation.

The Initiative should oversee and manage the coordination of state-run small business services and programs across agencies, including access to capital, grant, and financing programs; technical assistance, training, and business development services; and support services for the state permitting and project review process.

The Initiative should also centralize and manage all current and planned state contracting and procurement targets, goals, and programs to address the gaps in businesses' access to opportunity, capital, and state contracts identified in the New Jersey Disparity Study published in 2024. The Disparity Study showed that businesses owned by Black Americans, Asian Americans, Hispanic Americans, American Indians and Alaskan Natives, women, and veterans were awarded a far smaller percentage of state contracts than their share of businesses in New Jersey. The Initiative should clearly show to businesses what state programs and targets are currently available to help reduce these disparities, including Procurement and Contract coaching programs, capital access training programs, and state contract compliance and licensing guidance. The Initiative should prioritize inclusive programs and processes that empower underrepresented businesses and communities, as identified through the 2024 Disparity Study.

The Initiative should also manage the sharing of data and integration of state agency systems so that businesses are no longer required to re-enter the same information across multiple portals (similar to a “Fast Pass” approach). By creating one master business profile with a single document upload that auto-populates certification, financing, and procurement systems, New Jersey will reduce duplication, minimize errors, and speed up approvals for small and diverse businesses.

The Initiative should also function as a one-stop shop for any small businesses seeking information on or access to state and local governmental small business programs, as well as businesses seeking to understand the small business licensing and permitting process. Initiative staff should be available for consultations and listening sessions and should conduct outreach to state agencies on behalf of small businesses seeking additional information.

Recommendation: Create a Business Disparities and Opportunity Office within the Business Access Center to expand access to capital and state contracts.

The Transition Action Team recommends that the Governor issue an Executive Order creating an office within the New Jersey Business Action Center focused on expanding opportunity and cutting through red tape for historically underrepresented small businesses, particularly those that were highlighted by the 2024 New Jersey Disparity Study as systemically lacking access to state contracts. This Office should review the existing state programs available to underrepresented small businesses and issue recommendations for how the Business Action Center and other state agencies can expand equitable access to state contracts and capital more widely throughout New Jersey.

The Office should particularly review the potential creation of a Procurement and Contract coaching program to help small and underrepresented businesses participate more widely in the state contracting system and capital access training initiatives to support small and underrepresented businesses in accessing capital and financing.

The Office should also provide recommendations to the Chief Operating Officer on statutory changes that could support access to fair opportunities and growth for underrepresented businesses, including potential legislation that protects businesses from being paid less for the same work solely because of who owns the business and that ensures that all businesses have a fair opportunity to compete for and win state contracts through full transparency and public reporting.

The Office should also provide recommendations to the Chief Operating Officer on strategies to include immigrant-owned businesses and immigrant communities in New Jersey's small business assistance programs. These recommendations should potentially include working to include immigrant recipients in small-business certification and procurement definitions, including the NJ Office of New Americans as a partner in small business initiatives; expanding workforce training and credential recognition aimed at foreign-trained professionals; ensuring that outreach and application processes are multilingual and accessible; and tracking data on immigrant-owned businesses' participation in state procurement and small business assistance programs.

Recommendation: Establish a 100-Day Taskforce to review all existing state-run business support programs and resources and identify barriers to access for small and underrepresented businesses.

The Transition Action Team recommends that the Governor issue an Executive Order establishing a Taskforce under the Chief Operating Officer with the responsibility of conducting a full review within the first 100 days of all existing state-run business support programs and resources and identifying potential barriers to access to those programs for small businesses and businesses highlighted by the 2024 Disparity Study as lacking fair access to state contracts and opportunity. For example, grants that are paid as reimbursements but require businesses to cover up-front costs initially or incentive programs that

require minimum lock-in periods of up to five years for property leases are challenging for small businesses to use due to more limited access to liquidity and capital.

Based on this review, the Taskforce should provide recommendations to the Chief Operating Officer and the “One Open Door” Initiative on how to reform rules and requirements for state-funded business assistance programs to make them more accessible and available to small and underrepresented businesses.

Recommendation: Expand access to apprenticeship and workforce training programs for underrepresented businesses.

The Transition Action Team recommends that the Sherrill-Caldwell Administration instruct the Business Action Center, Department of Labor and Workforce Development, Department of Education, Office of the Secretary of Higher Education, and “One Open Door” Initiative to review the level of access that small businesses and businesses highlighted by the 2024 Disparity Study have to the apprenticeship and workforce training programs funded by the State, which are often a partnership requirement for eligibility for state contracts, and issue recommendations for how to boost access to these programs for more businesses.

These recommendations should include expanding the geographic diversity of apprenticeship and workforce training programs to ensure that businesses located in urban areas are able to partner with training programs where needed and boosting coordination between the State, institutions of higher education, and local governments to ensure that programs are being funded and operated in all corners of the state.

Recommendation: Expand support for small businesses in accessing affordable healthcare plans and tax forgiveness programs.

The Transition Action Team recommends that the Sherrill-Caldwell Administration direct the Business Action Center and the “One Open Door” Initiative to review the impact of impending cuts and changes to the Affordable Care Act at the federal level and how they will impact access to affordable healthcare for small businesses and their employees in New Jersey.

This review should include recommendations for how the State can use existing tax credits and other financial support to make it more affordable for small businesses and their employees to access healthcare. It should also include both the impact of the ending of enhanced premium tax credits for individual Affordable Care Act plans, which many small business owners and employees use for their healthcare, and opportunities for the State to support the Small Business Health Options Program (SHOP) and Small Employer Health Benefits (SEH) program to protect access to healthcare for small businesses.

The BAC and “One Open Door” Initiative should also consider how state funding could be used to keep healthcare affordable for the employees of small businesses, including through enhanced state assistance for the SHOP and SEH programs and a potential restructuring of group coverage plans to make them more appealing to small businesses.

Lastly, this review should study the impact of unpaid tax debt and back taxes on small businesses statewide and consider a back-tax forgiveness or restructuring program to help them remain financially secure while paying their taxes over a longer, agreed-upon time frame.

Expanding Evidence-Based Job Training and Apprenticeship Initiatives

Recommendation: Boost the integrity and effectiveness of New Jersey's construction trade apprenticeship system and statewide labor protections through stronger standards and enforcement.

The Transition Action Team recommends that the Governor's Office staff work with the Legislature to strengthen oversight of apprenticeship programs in New Jersey, close statutory loopholes that permit fee-only compliance, and ensure all Registered Apprenticeship programs demonstrably meet minimum ERISA standards for training, employment, and apprentice graduation. The Governor's Office staff should also work with the Legislature to grant the New Jersey Commissioner of Labor explicit authority to audit apprenticeship programs for ERISA compliance, determine program legitimacy, impose corrective actions, and revoke contractor or apprenticeship registrations for sustained noncompliance.

We also recommend that the Governor issue an Executive Order establishing an independent commission to evaluate the impacts of the State's requirement that contractors bidding on state contracts partner with apprenticeship programs, and issue recommendations on how to ensure that these apprenticeship programs are high-quality and evidence based. This commission should also review whether New Jersey should transition from a Bureau of Apprentice Training model to a State Apprenticeship Committee structure.

The Transition Action Team recommends that the Governor's Office staff work with the Legislature to align each individual craft apprenticeship's standards and requirements with the recognized apprenticeship criteria of the corresponding craft that underpins New Jersey's prevailing wage determinations.

The Transition Action Team also recommends that the Governor's Office staff work with the Department of Labor and Workforce Development to assess employer compliance with workforce, labor, and wage and hour protections and determine where enforcement should be enhanced to protect the rights and safety of employees. The Sherrill-Caldwell Administration should also direct the Department of Labor and Workforce Development to invest in increased educational outreach to ensure that workers and employers understand their rights and responsibilities, especially in sectors like the care economy where workers may be less familiar with the legal protections available to them.

Recommendation: Launch a Youth Apprenticeship Program to create pathways for young people into apprenticeships and expand summer youth employment opportunities.

The Transition Action Team recommends that the Sherrill-Caldwell Administration direct the Department of Education, Office of the Secretary of Higher Education, and Department of Labor and Workforce Development to work together to build a New Jersey Youth Apprenticeship Program, in close coordination with labor unions and employers. Modeled on Colorado's CareerWise program or South Carolina's Youth

Apprenticeship Carolina, this new program would enable students to pursue registered apprenticeship/pre-apprenticeship opportunities while in high school.

This Youth Apprenticeship Program should combine high school curriculum and career and technology training with paid, on-the-job work-based learning at a local business, connecting the educational needs of students with the talent needs of industry.

Classroom training should include dual enrollment at community colleges, allowing students to graduate with a high school diploma, college credit, an apprenticeship credential, and work experience in an in-demand occupation. Upon completion of the program, students should be prepared for full-time employment and/or for further postsecondary education, including degrees or degree apprenticeships at community colleges.

We also advise that the Sherrill-Caldwell Administration direct the Department of Labor and Workforce Development to issue recommendations on how to expand locally run Summer Youth Employment Programs through increased state technical assistance and funding, given the strong evidence that such programs significantly boost young people's economic and criminal justice outcomes.

Recommendation: Expand resident and stakeholder access to data on evidence-based workforce development opportunities and earnings outcomes.

The Transition Action Team recommends that the Sherrill-Caldwell Administration direct the Department of Labor and Workforce Development, Department of Education, Office of the Secretary of Higher Education, and Chief Operating Officer to make the New Jersey Statewide Data System (NJSDS) the required source for annual reporting around education and workforce development program opportunities and earnings and employment outcomes. These reports should be made available to the Governor's Office, Cabinet members, members of the Legislature, and other key stakeholders, including postsecondary institutions, employers, and residents. The goal of this reporting and data-sharing standardization should be to increase evidence-based policymaking and workforce program implementation and to expand the availability of workforce opportunity information for residents. The reported information within NJSDS should include the annual Postsecondary Employment and Earnings Dashboard, High School Feedback Report, and annual performance reports on key initiatives such as expanded dual enrollment and apprenticeship opportunities.

The Transition Action Team also recommends that the Governor's Office staff work with the Legislature on legislation to facilitate data transfers between the NJSDS and the Motor Vehicle Commission. This should be used to verify the identity resolution process, allowing for the matching of high school students to wage and college records in the future.

The Sherrill-Caldwell Administration should also direct additional state agencies to formally partner with NJSDS to expand the scope of linked data and support cross-cutting policy analysis on education, workforce, human services, and economic mobility. Broadening agency participation under strong governance and privacy safeguards would reduce duplicative reporting and position NJSDS as a statewide asset for integrated, evidence-based decision-making.

The Sherrill-Caldwell Administration should also direct NJSDS to meet directly with data stakeholders (including community colleges and other higher education institutions) to ensure their data needs are considered as reports and dashboards are designed.

As part of the expanded reporting and sharing of earnings and employment data, we recommend that the Governor's Office staff consider ways to use more comprehensive and informative measurements of family income, such as the ALICE (Asset Limited, Income Constrained, Employed) metric. The Governor's Office should review how metrics like ALICE can be incorporated into state data reporting and potentially program eligibility criteria and should potentially develop a Governor's ALICE Advisory Council to formalize these recommendations.

As part of this data sharing, we also recommend that the New Jersey Unemployment Insurance (UI) Office consider expanded usage of employment and earnings data to evaluate the effectiveness of its job search assistance programs in helping unemployed residents to find new jobs. The UI Office should also consider adopting job search assistance models used by other state UI offices that have shown evidence of boosting employment and earnings outcomes for participants.

Recommendation: Create a degree-apprenticeship office within OSHE to coordinate new apprenticeship opportunities in the higher education system.

The Transition Action Team recommends that the Governor issue an Executive Order establishing a new Office of Degree Apprenticeship within the Office of the Secretary of Higher Education (OSHE) to promote degree apprenticeships, an earn-and-learn model that integrates paid work-based learning with academic education.

Working in collaboration with the New Jersey Department of Labor and Workforce Development as needed, this new Office of Degree Apprenticeship should promote the creation of new registered apprenticeship degree pathways, alignment of academic credit with related technical instruction and other training in the field, employer sponsor development, and access to federal and state workforce funding.

The Office should also establish short-term state matching or bridge grants so higher education institutions and employer consortia including small businesses can quickly apply for and implement state and federal Registered Apprenticeship and related grants.

The Office should prioritize degree apprenticeship models that align with New Jersey's workforce needs (e.g., teaching, nursing, behavioral health, AI, manufacturing, engineering), encouraging students to pursue 'earn-and-learn' models to reduce debt and accelerate degree completion.

The Office should also create and manage state incentives for credential stacking by funding grants that help colleges convert apprenticeship competencies into college credit, enabling apprentices to stack credentials toward degrees and incentivizing employers to sponsor apprenticeship cohorts. A potential opportunity for this credential stacking is through the recently enacted Center for Career Relevant Education and Talent Evaluation (CreateNJ) framework.

Recommendation: Expand access to good-paying jobs in the film and television sectors by bolstering the bridge-loan market and creating a standalone post-production incentive.

The Transition Action Team recommends that the Governor's Office staff work with the Legislature to bolster the bridge-loan market and reduce bridge-loan transfer fees for film and television sector tax credits, which will help businesses receiving these tax credits to bridge funding gaps by using future credits as collateral. A more robust and accessible bridge-loan market increases the real-world usability of New Jersey's tax credits and will support the continued creation of good-paying jobs and apprenticeships in the film and television industry. Productions rely on bridge loans secured by anticipated credits to fund payroll, equipment rentals, and cash-flow needs, but when this ecosystem is shallow or costly, New Jersey's competitiveness is harmed.

Strengthening the bridge-loan market will lead to increased industry activity in New Jersey. Lowering financing costs and improving certainty and decision-making for producers will make programs more efficient without raising credit levels. Lowering or eliminating bridge-loan transfer fees should be a key part of this strategy – higher net-value credits support better underwriting and reduce borrowing costs, allowing for expanded investment and job creation in New Jersey.

The Transition Action Team also recommends that the Governor's Office staff work with the Legislature to create a standalone post-production incentive for work on content filmed outside of New Jersey. The Garden State has natural advantages for post-production, including proximity to New York City, strong film and television infrastructure, and boutique vendors, but current incentives largely benefit productions that film in New Jersey but not elsewhere.

A stand-alone post-production credit would attract visual effects, animation, sound mixing, color correction, and digital finishing work regardless of filming location, with benefits to New Jersey's economy including year-round film and television economic activity and stable jobs, increased competitiveness with neighboring states, the growth of digital media clusters near universities and studios, and increased project diversity and economic resilience—all of which will support the creation of good-paying jobs in New Jersey.

Investing in Higher Education and Workforce Pathways

Recommendation: Create a cross-agency focus on economic opportunity through enhanced coordination between institutions of higher education, workforce programs, and the K–12 system.

The Transition Action Team recommends that the Governor's Office staff work with the Office of the Secretary of Higher Education (OSHE), Department of Education (NJDOE), and Department of Labor and Workforce Development (NJLWD) to strengthen coordination between institutions of higher education, high schools and county vocational technical schools, workforce training and apprenticeship programs, career pathways programs and services, and the New Jersey Economic Development Authority (NJEDA). Expanded coordination and partnerships between all of New Jersey's education, career preparation, and training programs will help New Jerseyans of all ages and backgrounds to meet their education and training needs, whether they are pursuing postsecondary degrees, working towards short-term industry

valued credentials, or gaining skills and experience through work-based learning and apprenticeship programs.

This coordination should be led by the Governor's Office staff and could take the form of a new Department of Higher Education and Workforce Development or a dedicated inter-agency liaison, coordination team, or working group. It should work to design policies and monitor their implementation, as well as align the policies and programs that other state agencies already work on, including the workforce development programs of NJLWD and NJEDA, Career and Technical Education programs of NJDOE, programs offered by county-level vocational technical schools, and higher education and workforce programs at community colleges and four-year institutions.

As part of this new coordination effort, OSHE, NJLWD, and NJDOE should develop a comprehensive strategic plan to ensure that high schools, colleges, and universities are providing accessible, high-quality education and training programs that help residents succeed in the labor market. This strategic plan should also be informed by a detailed and on-going assessment of the state's workforce needs in key sectors of its economy.

The strategic plan should include recommendations regarding a dedicated, non-discretionary funding formula for higher education; funding for workforce positions at state colleges and universities; the health benefits formula for state employees at colleges and universities; duplicate programs in public and private higher education institutions that could be reformed to improve the efficiency of state funding; and an assessment of the state's workforce needs in key sectors.

This new office or coordination team should also have expanded authority and resources to boost transparency, oversight, and accountability within the education, training, and post-secondary sector. This includes additional oversight over the growing number of college and university mergers in New Jersey in recent years, which can be essential for protecting the financial integrity of institutions but can also have negative impacts on currently enrolled students and graduates and their surrounding communities.

The Transition Action Team also recommends that the Sherrill-Caldwell Administration direct OSHE, NJLWD, NJDOE, and NJEDA, with support from the New Jersey Statewide Data System, to map out all relevant postsecondary education and job training programs and resources geared for New Jersey's students, unemployed and underemployed adults and working learners, and employers, to identify areas where enhanced state-level coordination would be beneficial.

Recommendation: Adopt a new postsecondary educational attainment goal for 75% of adults in the labor market to have postsecondary degrees or credentials by 2040.

The Transition Action Team recommends that the Governor issue an Executive Order requiring the State of New Jersey to adopt a new postsecondary educational attainment goal for 75% of adults in the labor market to have postsecondary degrees or credentials of value by 2040—where “of value” is defined as degrees and credentials that lead to jobs that pay wages or salaries that exceed the national median earnings of a high school graduate by at least 15%.

This Executive Order should also require the Office of the Secretary of Higher Education (OSHE) and the Department of Labor and Workforce Development (NJLWD), working with the New Jersey Statewide Data

system, to track and make public information about credential attainment and wages, including demographic information to identify racial, ethnic, gender, and geographic disparities.

The Executive Order should also require OSHE and NJLWD to create a joint working group to issue recommendations on additional statutory or regulatory policies that the State should adopt to help reach this goal by 2040, including programs that expand access to higher education and that increase degree completion and attainment.

Recommendation: Foster student success and completion in postsecondary education by expanding financial aid, basic needs supports, and evidence-based retention and completion programs

The Transition Action Team recommends that the Sherrill-Caldwell Administration direct the Office of the Secretary of Higher Education (OSHE) to develop recommendations for increasing student success and completion in New Jersey's postsecondary education system, particularly through the expansion of financial aid, basic needs supports, and evidence-based retention and completion programs.

These recommendations should include a review of community college financial assistance programs, an assessment of the impact of making community college loan-free for all students, and an assessment of the expansion of the Community College Opportunity Grant program to all residents with adjusted gross incomes up to \$125,000, which has been linked to improved persistence, graduation, and transfer rates. They should also include an assessment of potential reforms to the Garden State Guarantee initiative, which provides last dollar support for students at the four-year public colleges, including raising the income threshold to at least \$100,000, codifying the program in statute, and expanding the program to all four years of college study.

Additional areas for review should include a potential increase in Educational Opportunity Fund (EOF) appropriations to match today's tuition, housing, and student service costs and fully funding the summer Tuition Aid Grant program, which helps students maintain momentum toward completing their degrees.

To help low-income, underrepresented, and vulnerable students and adult learners stay in school and complete their programs, OSHE should develop recommendations on how to expand evidence-based student success supports and programs. Supports for consideration should include providing advisors and mentors for students; offering momentum incentives; organizing cohort-based outside-of-class activities to help foster community; providing assistance with food, housing, transportation, childcare, and technology costs; and conducting an annual assessment of student success and basic needs programs.

We also recommend that the Sherrill-Caldwell Administration direct OSHE to explore ways to encourage more New Jersey high school students to stay in state for their postsecondary education. For example, we suggest that OSHE develop recommendations on how to create a statewide New Jersey Dual Enrollment program to connect and expose high school students, including those attending vocational technical high schools, to community colleges and provide tuition support for low-income and underrepresented students. We also recommend creating a Garden State Degree Retention Tax Credit for graduates of public four-year institutions who work in state, which could be structured as a year-for-year benefit tied to tuition costs and could also be available to high school students who attend a New Jersey community college, apprenticeship, or program leading to an industry-valued credential. Another approach to explore is instituting a direct admissions program connecting high school students to community colleges, four-year colleges, or apprenticeships or other workforce programs.

OSHE should also consider directly replicating successful evidence-based college retention and completion programs from other states, including the ASAP program at the City University of New York system. CUNY ASAP provides intensive mentoring, tutoring, financial assistance, and other support services to community college students. Rigorous evaluations, both at CUNY and other colleges nationwide, have found ASAP to significantly boost graduation and degree attainment rates by participants. OSHE should consider implementing a comprehensive program like CUNY ASAP at one or several New Jersey postsecondary institutions, in coordination with the Chief Operating Officer and the Department of Labor and Workforce Development.

Recommendation: Expand the New Jersey Pathways to Careers program and other workforce training opportunities to boost cooperation between colleges and universities, the K–12 system, and businesses.

The Transition Action Team recommends that the Sherrill-Caldwell Administration direct the Office of the Secretary of Higher Education (OSHE), Department of Education (NJDOE), and Department of Labor and Workforce Development (NJLWD) to develop strategies and programs that foster workforce pathways and training, early career exploration, and postsecondary planning to ensure that all high school students and adult learners know their options and begin to develop plans for further education, training, or apprenticeships that will help them obtain jobs and careers. As part of this review, OSHE, NJDOE, and NJLWD should study a potential expansion of the New Jersey Pathways to Career Opportunities Initiative, a state-funded workforce- and talent-development effort currently led by the state's community colleges. Conducted in partnership with businesses, this program helps align education and training with New Jersey's evolving labor-market demands in key industries, including manufacturing, healthcare, AI, energy, film and television production, and life sciences.

OSHE, NJDOE, and NJLWD should convene stakeholders including labor unions, local workforce development boards, community-based organizations, and K–12 (including comprehensive and vocational technical schools) and higher education institutions to coordinate on the best ways to expand the Pathways program. These could include boosting co-designs of academic and career pathways with degrees and stackable, portable industry credentials of value; expanding dual enrollment pathways for high school students; and enhancing opportunities for work-based learned including apprenticeships and internships.

As part of these recommendations, OSHE, NJDOE, and NJLWD should review the available higher education and workforce training opportunities currently provided in New Jersey to prepare the workforce for emerging industries to ensure that industry-aligned training and work-based learning opportunities are available, including training for jobs that do not require four-year degrees. Examples of these emerging sector-focused initiatives include NJBioFutures, a public-private partnership with community colleges to train students for aseptic manufacturing jobs; New Jersey Film Academy, which provides tailored educational programs at community colleges to prepare individuals for entry-level positions in film and production careers; and New Jersey Manufacturing Skills Initiative, which supports students and adult learners in apprenticeship and credential attainment.

OSHE, NJDOE, and NJLWD should also consider the launch of a New Jersey FastForward program at community colleges. FastForward programs help low-income residents pay for short-term workforce training programs in high-demand industries that lead to industry-valued credentials and certifications, specifically in healthcare, connected to jobs that pay living wages.

Given the profound impact of AI on how all New Jerseyans live, work, and learn, OSHE, NJDOE, and NJLWD should also review the findings of the existing New Jersey Artificial Intelligence Task Force Report and assess the readiness of the state's higher education and workforce systems for the demands of the coming AI-centered economy, including within programs like the NJ Pathways to Careers Program. Within this assessment, OSHE, NJDOE, and NJLWD should issue recommendations to ensure that institutions of higher education and the workforce system have access to the tech infrastructure necessary to meet AI skills training needs. OSHE, NJDOE, and NJLWD should also consider public awareness campaigns to prepare New Jersey residents of all ages for the impact of artificial intelligence on their careers and education, including specific times during the year when state agencies focus on providing New Jersey residents with tools, training, and resources so everyone can learn how to use AI safely and confidently. As part of this AI assessment, OSHE, NJDOE, and NJLWD should also provide recommendations to the Administration on any statutory guardrails that should be implemented regarding the use of AI-based surveillance and automated decision-making tools in the workplace or classroom to protect the rights of workers and students and give them a voice in the implementation of AI-based systems.

Recommendation: Provide stable, predictable funding for two- and four-year colleges and universities, including deferred maintenance and capital funding.

The Transition Action Team recommends that the Governor's Office staff work with the Legislature to consider new budget language that provides stable, predictable multi-year funding for community college operating aid that takes inflation and health care costs into account and that addresses capital and deferred maintenance needs. For example, the New Jersey Council of County Colleges is currently working to coordinate more efforts and increase efficiencies across the 18 community colleges, such as through its Joint Purchasing Consortium, which should also be expanded to make New Jersey's existing higher education funding go farther.

For four-year institutions, we recommend that the Governor's Office staff consider establishing a rolling three-year operating aid floor based on enrollment and informed by the FY26 appropriation, designed to stabilize budgets and address tuition volatility. This aid could be folded into base allocations, utilize the FY26 funding level as a baseline, and include an average of the last three year's Outcomes-Based Allocation by institution, with a formulaic escalator tied to inflation.

The Transition Action Team also recommends that the Governor's Office staff work with the Legislature to consider the development of a dedicated capital/deferred-maintenance trust, with a recurring revenue source, to address ongoing deferred maintenance and infrastructure challenges at New Jersey colleges and universities, with a certain percentage of funding reserved for workforce training, apprenticeships, and short-term industry recognized credentials.

Supporting Jobs Programs in the Re-Entry System

Recommendation: Create an Assistant Commissioner of Reintegration Services position within the department of corrections and expand individualized caseworker support for returning citizens.

The Transition Action Team recommends that the Governor issue an Executive Order creating a new Assistant Commissioner of Reintegration Services position within the Department of Corrections (DOC) to

support and coordinate reentry services for returning residents across the state, including the expansion of individualized caseworker support for returning citizens.

The new Assistant Commissioner should create a strategy for the development of a “sentencing to re-entry” case plan and individualized caseworker support for each person upon entry into the criminal justice system and should expand upon the current Department of Corrections (NJDOC) program that provides a re-entry coordinator for municipalities with high numbers of re-entering persons.

The Assistant Commissioner should also work to expand educational, mental health, and substance abuse treatment services for individuals both while incarcerated and after their release, to support residents’ successful re-entry into their communities and combat recidivism.

To ensure that returning residents can receive social services and access to other programs for which they are eligible, the Assistant Commissioner should also coordinate with all NJDOC facilities to ensure that returning residents are provided a copy of essential documents (for example, birth certificate or driver’s license) before exiting facilities.

The Assistant Commissioner should also assess existing reentry programs to identify evidence-based programs and develop reforms for less effective programs.

Recommendation: Expand educational and workforce opportunities for returning citizens, both while incarcerated and during re-entry.

The Transition Action Team recommends that the Sherrill-Caldwell Administration direct the Department of Corrections, Office of the Secretary of Higher Education, and Department of Labor and Workforce Development to expand educational and workforce opportunities for returning citizens, both during their period of incarceration and in the re-entry process.

Potential programs for expansion include the New Jersey Scholarship and Transformative Education in Prisons (NJ-STEP) program, which currently serves only a limited number of participants despite strong evidence that higher education reduces recidivism. By increasing funding, faculty capacity, and partnerships with additional colleges and universities, NJ-STEP could operate across more facilities and enroll more eligible students, ensuring broader, more equitable access to transformative educational opportunities.

Another potential program for expansion is the Inside-Out Prison Exchange, which helps to provide inclusive learning environments to incarcerated individuals to improve engagement and retention. By training formerly incarcerated individuals to become mentors and educators, New Jersey can strengthen educational outcomes and create employment pathways. Leveraging lived experience helps bridge institutional gaps, build trust, and support successful reentry through stable jobs.

Recommendation: Consider reforms to the clemency and expungement process to support re-entry for residents who have served their sentences, including a formal board to handle clemency petitions.

The Transition Action Team recommends that the Governor’s Office staff recommit to using clemency in a categorical and routine way to transform lives and create pathways for people to re-enter society, obtain employment, and support their families.

Over the past two years, the Governor's Office, state agencies, and outside institutions have set up programs to support clemency review and re-entry, including a specific process within the Governor's Office and a Clemency Advisory Board. A formal body could institutionalize and streamline this ongoing process. We recommend that the Governor's Office staff explore the creation of a formal board to handle clemency petitions, which could help to speed up the clemency process, add additional checks and balances, and support a renewed commitment to an accountable and transparent clemency process.

The Transition Action Team also recommends that the Sherrill-Caldwell Administration direct the Chief Operating Officer (COO) to study the current expungement request backlog in New Jersey. The COO should issue recommendations on how to address this problem and allow returning citizens to have their expungement requests heard in a timely and fair manner. While New Jersey has made progress in handling this backlog, there still remain barriers to achieving expungement in our state. New Jersey should identify the root causes of the backlog and ensure that we systemically address them.

Recommendation: Boost occupational licensing and state employment opportunities for returning citizens.

The Transition Action Team recommends that the Sherrill-Caldwell Administration direct the Chief Operating Officer to study current barriers to obtaining occupational licenses and state employment for returning citizens and issue recommendations for how to support a fair licensing and government employment process as part of the re-entry system.

As part of this review, the COO should consider expanding the Ready to Work NJ program, which reduces unnecessary denials of professional licenses and certificates for returning citizens. The program replaces blanket exclusions with a clear pathway that includes eligibility screening, accountability, and a six-month supervised period while maintaining public safety and professional standards. It allows qualified individuals to prove readiness through supervised employment compliance and performance, strengthening New Jersey's workforce and promoting fair, evidence-based licensing decisions statewide.

The COO should also coordinate with the New Jersey Department of Labor and Workforce Development to boost access to employment for justice-impacted individuals by considering an expansion of the Job Opportunities for Building Success initiative. Increased investment in training, supportive services, and employer partnerships will reduce barriers to reentry and create clear pathways to sustainable employment and economic stability.

In addition to considering ways to support private employers in hiring people who have been justice involved, the COO should also consider reforms that seek to boost employment of returning citizens in state agencies. New Jersey can set up pipeline programs across agencies to ensure that the state hires returning citizens as a routine part of its workforce expansion across all agencies.

Recommendation: Expand mental health and substance abuse treatment services for returning citizens, while incarcerated and during re-entry.

The Transition Action Team recommends that the Sherrill-Caldwell Administration direct the Department of Corrections (NJDOC) to review the current mental health and substance abuse treatment services available to incarcerated individuals and those in the re-entry system, and issue recommendations for how to expand access to these evidence-based services.

As part of these recommendations, NJDOC should consider expanded partnerships with healthcare providers to provide direct screenings and care to incarcerated individuals. They should also consider expanding programs that connect returning citizens immediately to healthcare providers upon release to ensure that they maintain access to care while in the re-entry process.

Boosting Opportunities for Individuals with Disabilities

Recommendation: Work with employers and advocates to expand competitive integrated employment for individuals with disabilities statewide, through targeted tax incentives and technical assistance.

The Transition Action Team recommends that the Sherrill-Caldwell Administration direct the Department of Labor and Workforce Development to consider increased investments and expansions of Competitive Integrated Employment (CIE) programs at the state level to ensure that people with disabilities have equitable access to community-based jobs, in an effort to make New Jersey a model employer and use case for employing residents with disabilities.

By setting clear, statewide standards for CIE and backing them up with training, technical assistance, and financial support like tax incentives for both providers and employers, New Jersey can build stronger programs that give people with disabilities reliable, person-centered pathways into stable careers and greater economic independence.

Recommendation: Establish a coordinated statewide initiative to remove barriers to employment for individuals with disabilities, including through employer support, targeted job training, and counselling services.

The Transition Action Team recommends that the Governor issue an Executive Order establishing a coordinated statewide initiative to support individuals with disabilities (including hidden and mental health conditions) in accessing good-paying job opportunities, including through employer support and financial assistance, targeted job training, and counselling support services.

This statewide initiative should build on NJ WorkAbility and existing Career and Technical Education (CTE) programs by offering tax credits and subsidies to inclusive employers, requiring retention and advancement reporting, and strengthening accessibility through technology, specialized instruction, and vocational rehab partnerships.

The statewide initiative should also integrate mental health counseling; workplace accommodations; and performance-based grants tied to wage growth, retention, flexible scheduling, remote work innovation, and expanded career pathways in high-growth sectors.

Recommendation: Strengthen statewide governance for disability inclusion and workplace protections for individuals with disabilities.

The Transition Action Team recommends that the Governor's Office staff consider the creation of a new Office, either within the Department of Labor and Workforce Development or a new Cabinet-level position, to coordinate disability inclusion and advance robust worker protections across New Jersey.

This Office should consider additional protections and enforcement standards for workplaces employing individuals with disabilities to ensure that fair treatment and equal employment protections are being upheld. The Office should also consider including heat-safety standards that require employers to offer water breaks, rest, and climate controls to safeguard workers in rising temperatures, which will protect both individuals with disabilities and the broader workforce.

By establishing a new Office that ties disability inclusion to stronger worker protections, New Jersey can ensure safer workplaces and better working conditions for all workers and communities.

Recommendation: Improve customer service and accessibility for programs that support workers with disabilities.

The Transition Action Team recommends that the Sherrill-Caldwell Administration direct the Department of Labor and Workforce Development to issue recommendations on expanding customer service and usability for the services, programs, and employment supports that are available to individuals with disabilities, as well as their caregivers and employers.

These recommendations should include the possibility of developing a statewide accessible Artificial Intelligence (AI) tool designed for employees with disabilities, caregivers, and residents, to help them access services, programs, and employment supports. This tool could provide clear, plain-language guidance on reasonable accommodations, cross-program eligibility, and benefit applications, while streamlining submission processes and reducing delays and errors. By integrating information across agencies, the AI platform would eliminate confusion, improve the experience of information gathering and service delivery, and ensure that residents receive the full range of supports they may qualify for.

Recommendation: Expand education and employment pathways for neurodivergent students.

The Transition Action Team recommends that the Governor's Office staff convene a consortium of higher education and industry partners interested in providing workforce opportunities for neurodivergent students, such as summer bootcamps and internships with the intention of job training and placement. Models include North Carolina's LiNC-IT program, New York's partnership with FALA Technologies to advance manufacturing apprenticeships for neurodivergent individuals, and the University of Connecticut's Wells Fargo Center for Neurodiversity and Inclusive Employment.

Programs should be grounded in Universal Design for Learning (UDL), a framework that supports diverse learning styles and ensures all students can access instruction. High schools should also collaborate with community colleges and four-year institutions to build a student-preparation framework that includes holistic support. Such a framework would link academic advising, tutoring, career services, and wellness, along with a needs assessment that helps determine whether college, vocational training, or a gap-year internship is the best path for each student.