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## February 12, 2021

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## I. State

### a. COVID-19 Weekly Update

This week's COVID-19 news from Trenton continued to focus on vaccinations but also included an Executive Order on attendance at youth sporting events, information on upcoming elections and the reopening of EDA's applications for small and micro business PPE program.

#### **COVID Data**

#### For February 12, 2021:

- 3,285 new positive cases for a total of 660,067 confirmed cases
- 64 new confirmed deaths for a total of 20,147 confirmed deaths
- The rate of transmission is at 0.81
- 671 cases linked to 142 school outbreaks since August
- 1,244,224 vaccine doses have been administered, including 933,160 first doses and 310,529 second doses. 55% have been Moderna and 45% Pfizer.

#### **Vaccine Information**

Earlier this week, the Governor announced that New Jersey has exceeded more than 1 million COVID-19 vaccination dosages statewide. The State's ultimate goal is to have 4.7

million vaccinated adults by the beginning of summer.

On Thursday, CVS and Rite Aid began to receive direct shipments of vaccines that they'll be making available by appointment at New Jersey locations. Through this federal pharmacy partnership, CVS will be receiving approximately 19,900 doses and Rite Aid will be receiving about 7,500 doses. The Governor noted that since these doses are being delivered through the federal pharmacy partnership, they will not impact the state's allocation.

In addition, the Governor noted that Johnson & Johnson has submitted its application to the FDA, and the FDA is scheduled to review the vaccine candidate's clinical trial data on February 26. Johnson & Johnson has said it hopes to provide the federal government with 100 million doses of its one shot vaccine by April.

The state hotline, 855-568-0545, continues to assist residents, with live agents from 8:00 a.m. to 8:00 p.m., in getting information on how to register, as well as how to schedule vaccine appointments as people become eligible. The agents remind residents that there is no out of pocket expense to get vaccinated and that the two vaccines are not interchangeable.

The state continues to encourage the general public to pre-register for eligibility for the vaccine online at <a href="https://covidvaccine.nj.gov/">https://covidvaccine.nj.gov/</a>. Individuals will be permitted to input their personal, contact, health insurance, and demographic information. Those who are immediately eligible based on screening questions will be able to schedule an appointment.

In partnership with FEMA, the Department of Health (DOH), and the Office of Emergency Management (OEM), Governor Murphy announced the establishment of community-based vaccination sites for residents in underserved areas. They are located in Franklin Township (Somerset County), Trenton, Elizabeth, Vineland, and Paterson. Specific location information will be released as they near opening.

### **Executive Orders**

At Friday's briefing, Governor Murphy signed Executive Order 220, regarding parental attendance at indoor and outdoor high school and other youth sporting events. School districts and other operators may choose to allow up to two parents or guardians per participating athlete under the age of 21 to attend practices and competitions, as long as attendance does not cause indoor events to exceed 35% of the room's capacity or 150 people total. Public health guidance must be adhered to including mask wearing and social distancing. No other spectators may attend.

#### **Unemployment Information**

The Department of Labor <u>announced</u> for the week ending February 6 the initial weekly unemployment claims total 16,192. The Department noted sectors hardest hit by the pandemic are leisure and hospitality; transportation, trade and utilities and education and health services.

#### **Election Information**

The Governor announced that the April 20 school board and special elections as well as the May non-partisan elections will be conducted in person. As always, voters will have

the ability to request a vote by mail ballot. All in-person polling places will adhere to proper health and safety protocols including face coverings, social distancing, and frequent sanitation. No decision has been made for the June primary elections, but the Governor noted he is optimistic that will be in-person voting.

#### **EDA Small and Micro Business PPE Access Program**

New Jersey Economic Development Authority announced it is reopening applications for the Small and Micro business PPE Access program. Effective Tuesday, February 16 at 9:00 am. New Jersey based businesses with 100 or fewer employees can apply to receive a discount with participating vendors for personal protective equipment for their employees and customers. Businesses that were approved prior to December 17, 2020 do not need to reapply. Please note that once a business is approved, the discount will automatically apply to their online order, so there's no need to keep receipts or to submit paperwork.

**Contact:** Lori Buckelew, Assistant Executive Director, Ibuckelew@njlm.org, 609-695-3481, ext. 112.

## b. Legislative Alert: Help Stop Legislation With Potential Chilling Effect on Redevelopment & Affordable Housing

As we have previously reported, <u>ACS A1571 & A-1576</u> would make any public work done on a property or premises for which a public body provides, approves or authorizes a tax abatement or tax exemption for the property or premises subject to the Prevailing Wage Act. We have prepared a <u>sample letter</u> for you to reach out to your Assembly Representatives and State Senators explaining how this legislation will negatively impact your municipality. It is critical that legislators hear local elected officials' concerns with the bill advancing and the impact this new requirement will have on your redevelopment and affordable housing projects.

**Contact:** Lori Buckelew, Assistant Executive Director, Ibuckelew@njlm.org, 609-695-3481, x112.

### c. Amended Shared Service Bill S-1 Advances

Yesterday, the Senate Budget Committee unanimously passed the Senate Committee Substitute S-1, Senate President Steve Sweeney's Shared Service legislation. S-1 amends the "Uniformed Shared Services and Consolidation Act" and the laws governing the Local Unit Alignment, Reorganization, and Consolidation Commission (LUARCC). The bill amends Civil Service laws to assist Civil Service and non-Civil Service local units in sharing of services by removing barriers that have made such agreements challenging. In regard to the LUARCC, the bill expands the commission's membership, requires them to study any municipality that does not have a shared service or has undertaken a shared service study, and requires a certification of the potential shared services. Unfortunately, the penalty of loss of state aid equal to the Commission's savings certification remains, even if the voters reject the recommendation.

We thank Senate President Sweeney for his willingness to continue to consider our concerns and make corresponding amendments. We are currently reviewing the Senate Committee Substitute and will report back.

**Contact:** Lori Buckelew, Assistant Executive Director, Ibuckelew@njlm.org, 609-695-3481, x112.

## d. Governor Murphy Signs Senate Bill 3220 Into Law

On Thursday, February 4, Governor Phil Murphy signed <u>Senate Bill 3220</u> into law. This legislation allows the Civil Service Commission to exempt entry law enforcement position applicants who have successfully completed a full basic course for police officers from the civil service law enforcement requirements. A municipality must adopt an ordinance authorizing the hiring of such applicants as well as a conflict of interest and nepotism policy before permitting such a hire by the police department. This legislation primarily impacts civil service municipalities. P.L. 2021, c. 7 takes effect August 4, 2021, but the Civil Service Commission may take anticipatory administrative action in advance to implement this new law.

Contact: Andrew LaFevre Legislative Analyst, <u>alafevre@nilm.org</u> 609-695-3481, ext.116.

## e. DEP Project Aims to Help Municipalities Stop Illegal Dumping

The NJ Department of Environmental Protection (DEP) <u>announced the launch of an</u> enforcement project aimed at assisting municipalities stop illegal dumping. To assist, the DEP will procure and provide equipment, bring partners together for broad training on implementing an illegal dumping program at the local level, and impart strategies for deterring illegal dumping. The Attorney General's office will offer guidance and training on pathways for both civil and criminal enforcement.

The initial 10-month project involves 11 municipalities throughout the state. Municipalities facing illegal dumping and interested in partnership with the DEP are encouraged to visit the DEP website for more information.

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## f. Division of Pensions Extends Call Center Hours & Offers Virtual Consultations

The New Jersey Division of Pensions and Benefits has extended their <u>call center</u> hours. Revised hours are 8:00 a.m. to 4:00 p.m. Monday and Friday; 8:00 a.m. to 7:00 p.m. Tuesday, Wednesday, and Thursday; and, 8:00 a.m. to noon on Saturday. The call center can be reached at 609-292-7524.

A limited schedule of online video-based personal counseling appointments are now available for members of the PERS, TPAF, PFRS, SPRS, and DCRP. Members can make an appointment online.

#### g. Governor Murphy Announces Paycheck Protection Loan Program

On Tuesday, February 9, Governor Murphy announced that his administration will follow the lead of the Federal Government in creating a Paycheck Protection Loan Program (PPP) to be tax exempt at the state level and enable recipients to deduct business expenses that were paid with PPP loans. These loans are designed to help small

businesses effected by the COVID-19 Pandemic pay their employees and maintain a steady workforce during this time of economic hardship.

There have been 155,851 loans disbursed by the federal government totaling \$17.3 billion, with New Jersey receiving the majority. Out of the 155,851 loans, 133,961 were for amounts under \$150,000, and 19,066 between \$150,000 and \$1 million. With New Jersey receiving a total of \$11.2 billion.

The Federal Paycheck Protection Program (PPP) was established through the Coronavirus Aid, Relief and Economic Security (CARES) Act. We thank the work of New Jersey's leadership for continuing to provide state and local relief and look forward to continued assistance in these hard times.

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## II. Federal Issues

# a. CALL TO ACTION: Support Congressman Pascrell's Legislation to Eliminate Cap on SALT Deduction

This week, New Jersey Congressman Bill Pascrell introduced <u>H.R. 946</u>, the Stop the Attack on Local Taxpayers (SALT) Act, which eliminates the \$10,000 cap and fully restores the deduction for state and local taxes. The measure also eliminates the cap retroactively.

Please consider adopting the sample resolution, available in <u>word</u> or <u>pdf</u>, supporting H.R. 946.

Full deductibility is vital to the long-term economic health of many states, including New Jersey. In 2017, the League passed Conference Resolution 2017-02, *Urging Congress to Protect the Deductibility of State and Local Taxes* and it has remained among the League's Federal priorities since the cap was enacted in 2017 and the League adopted League Conference Resolution 2019-14 *Urging Congress to Restore the Full Deductibility of State and Local Taxes*.

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# b. House Oversight and Reform Committee Holds Reconciliation Hearing Aid on State and Local Government Aid

The House Oversight and Reform Committee is meeting today to consider details on the state and local government aid section under the Covid-19 emergency aid reconciliation package. While this is a fluid situation and provisions can change, this information is current as of this writing. We will keep you updated as developments warrant.

Included in the package is \$350 billion in total for all municipalities, counties, states, tribes, and territories. Of that amount, \$130 billion is set-aside for local governments, equally divided between municipalities and counties. The \$65 billion for municipalities will be

allocated to 19,000 cities, towns, and villages according to a modified Community Development Block Grant (CDBG) formula. Under that formula, \$45.5 billion will be split among all municipalities that are designated CDBG entitlement cities (generally cities with populations above 50,000) and \$19.5 billion will be split among cities not designated CDBG entitlement cities (generally cities with populations below 50,000 residents).

According to these formulas, New Jersey will receive \$6.483 billion and New Jersey localities will receive \$2.950 billion for a total of \$9.43 billion.

There is no deadline for spending down funds, eligible expenditures will include replacement of lost revenue and the U.S. Treasury Department will allocate funds in similar fashion to CDBG.

Assuming it is favorably reported out of committee, the section will be delivered to the House Budget Committee to be assembled into the broader emergency aid package.

The National League of Cities has created a <u>form</u> to register support for this legislation that will be forwarded to your Members of Congress. We urge you to take a moment and fill it out.

Contact: Paul Penna, Legislative Analyst, ppenna@nilm.org or 609-695-3481, ext. 110.

## III. Also of Interest

### a. Expanded Earned Income Tax Credit Program

On national Earned Income Tax Credit Awareness Day (January 29), the New Jersey Department of Treasury launched a statewide awareness campaign to encourage eligible taxpayers to take advantage of New Jersey's expanded program. Beginning with the 2020 tax filing, New Jersey's Earned Income Tax Credit (NJEITC) is increasing to 40% of the federal credit for an average of \$882. It is also lowering the minimum age eligibility for EITC from 25 to 21 years of age.

Treasury has created a wide range of <u>promotional materials that can be found online</u> for any partners looking to help raise awareness about the NJEITC. More information on NJEITC including eligibility is available at the New Jersey Earned Income Tax Credit website.

## b. LEAP Challenge Grant Deadline Approaching

The deadline for submission of the LEAP Challenge <u>application</u> is due February 26, 2021. As a reminder, <u>LEAP Implementation</u> grant applications may be submitted at any time, and will be considered on a rolling basis, subject to availability of funding.

LEAP Challenge Grants are available for projects that involve at least two governmental units that will advance efficiency in the provision of services; improve operational effectiveness; strive to develop or be the first to use or apply a new method, area of knowledge or activity and present a proposal that has the potential to scale or to be

replicated if the concept bears out upon study and implementation.



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