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February 1, 2021

Dear New Jersey Congressional Delegation Members,

Congratulations on starting a new congressional term and thank you for your continued support of New Jersey's business community.

As you begin your work in a new year with changes in the 117<sup>th</sup> Congress and a new administration under President Biden, the New Jersey Business Coalition, which includes the leaders of the Garden State's major business associations, once again requests your support of several key legislative priorities that could help New Jersey businesses and residents weather the pandemic and economic downturn. Without further assistance, our state will struggle even more in the short term and face a much slower economic recovery in the long term.

2020 was a historically devastating year for small businesses in New Jersey. The year ended with 31.4% fewer small businesses open than when it started, with small business revenue declining 35.8% in that span. While these statistics cannot fully capture the pain felt by those who have lost their businesses and livelihoods, they underscore the necessity of a comprehensive effort to provide financial relief to businesses so they can reopen, stay open, and drive economic growth. Businesses simply cannot wait.

While not an exhaustive list, our policy requests below will make it easier for businesses to reopen safely and rehire workers, which is greatly needed given our November unemployment rate of 10.2%, the highest in the nation. Without a concerted effort to improve opportunity, our workforce will continue to suffer and rely on unemployment insurance benefits, something 42.4% of New Jersey's pre-pandemic civilian labor force has done since the start of the pandemic.

Nevertheless, **the effectiveness of the following policies depends greatly on New Jersey's vaccination campaign.** While New Jersey's early hiccups are not unique, their consequences are real. Vaccine shortages and mismanagement translate to our residents and frontline workers being at-risk for longer and, consequently, our businesses being shuttered or at partial capacity for longer. Accordingly, it is essential you support any measures that will increase the supply of vaccines, accelerate the vaccine rollout, and improve states' abilities to vaccinate their residents and workforces.

**FEDERAL COVID-19 SUPPORT FOR BUSINESSES REMAINS CRUCIAL:**

**State and Local Aid:** The CARES Act provided **key funding to state and local governments**, but additional assistance is needed. New Jersey, like many other states, resorted to drastic measures to account for unprecedented budget shortfalls. Through the COVID-19 Emergency Bond Act, our state borrowed \$4.5 billion for FY2021, the highest in the nation, meaning we could be servicing this debt for over a decade and will face a significant fiscal cliff in our next state budget after the borrowed revenue is gone.

With this in mind, we urge you to support a one-time fix for state and local financial assistance. Doing so will provide funding for the time needed for these governmental entities to gain their own strategies to address the short- and long-term challenges they have. **Further**, this funding would reduce the need for drastic and damaging fiscal measures in the future such as borrowing more or raising taxes. Additionally, giving money directly to state and local governments allows them to spend funds in the way that makes the most sense for them. This could include maintaining or increasing funding for more small business grants, childcare, K-12 education, workforce training, and other important fiscal measures for the state budget. States should also be able to use this funding for public health priorities, ensuring we can improve COVID-19 testing and tracking, and the vaccination rollout in New Jersey, so our state can move past this pandemic.

**Provider Funding:** Despite our absolute reliance on hospitals and healthcare providers during the pandemic, they have seen severe revenue strain that might take years to recover. For clear reasons, we need our healthcare providers to have the financial capacity to adequately operate during the pandemic and beyond. For that reason, we urge you to support increased funding to the **Provider Relief Fund**, which supports American families, workers, and healthcare providers in the battle against the COVID-19 pandemic.

**Paycheck Protection Program (PPP):** The PPP reboot was a top priority for the business community and we greatly appreciate your work and support in getting it passed. Still, we urge your support on some changes to make the program more flexible. It would be helpful to extend the current March 31 deadline for using the funds. It doesn't make sense to take assistance off the table if there are still businesses who want loans. Additionally, if necessary, we urge your willingness to allocate additional funds to the PPP. Last spring, we saw funds dry up quickly and, after months with little financial support, we should expect PPP loans to be in high demand across the country this winter. We need to ensure access for businesses in need and allocating additional funds to the PPP would make that possible. Finally, we urge your support for changes to the current eligibility requirement that applicants must have been open prior to the pandemic to receive loans. This unfairly leaves out those who took the risk of opening their business during the pandemic and may be filling Main Street vacancies from pandemic-shuttered businesses.

**Business Safe Harbor/Liability Protection:** Businesses, higher education institutions, and nonprofits which follow all applicable health guidelines **need liability protections from COVID-19 related litigation**. Entities which continue to take the time to adhere to all relevant state and federal health standards and guidance simply cannot afford to be caught up in a meritless lawsuit. The protections we seek would not protect businesses that operate in bad faith or disregard guidance on reducing the spread of COVID-19. We urge you to continue to support federal liability protections so that our businesses can continue to focus on restoring our economy.

#### **OTHER FEDERAL PRIORITIES TO SUPPORT NEW JERSEY BUSINESSES BEYOND COVID-19:**

Outside of the pandemic, but even more important due to the pandemic's devastation of the economy, we want to highlight the importance of continuing to invest in crucial infrastructure during this crisis. A key infrastructure priority is federal funding for the **Gateway Program**. This trans-Hudson tunnel project is crucial to the long-term sustainability of the regional economy in the northeast United States and should

not be delayed any longer. However, an infrastructure program should include funding for other projects as well to channel money toward projects that will immediately create jobs and spur economic activity.

Also, to stimulate the New Jersey economy when we need it most, we ask you to continue to support the **elimination of the \$10,000 cap for State and Local Tax (SALT) deductions**. Without this relief for New Jersey's struggling taxpayers, our state economy will never see the strong economic rebound that we want and need as we recover from the pandemic.

Finally, the state needs funding to create and support workforce training programs that will retrain workers for the jobs of tomorrow. Some of the jobs lost during the pandemic likely will not come back. We need to ensure our workforce has resources at its disposal to learn in-demand skills that will lead to economic opportunity.

Thank you for your consideration and continued support of New Jerseyans during these historically difficult times. If you have any questions, please contact Chrissy Buteas, NJBIA Chief Government Affairs Officer, at [cbuteas@njbja.org](mailto:cbuteas@njbja.org) or 908-447-3466.

Sincerely,

African American Chamber of Commerce of New Jersey, Inc.  
American Camp Association NY/NJ  
American Institute of Architects/ NJ Chapter.  
American Council of Engineering Companies of New Jersey  
American Physical Therapy Association of New Jersey  
Big I New Jersey  
BioNJ  
Burlington County Regional Chamber of Commerce  
Cape May County Chamber of Commerce  
Capital Region Minority Chamber of Commerce  
Chamber of Commerce of Greater Philadelphia  
Chamber of Commerce Southern New Jersey  
CLB NJ  
Commerce and Industry Association of New Jersey  
CrossState Credit Union Association  
Downtown New Jersey  
Early Childhood Education Advocates  
Eastern Monmouth Area Chamber of Commerce  
Employers Association of NJ  
Fuel Merchants Associates of NJ  
Garden State Pharmacy Owners, Inc  
Global Business Alliance  
Gloucester County Chamber of Commerce  
Greater Atlantic City Chamber  
Greater Toms River Chamber of Commerce  
Greater Westfield Area Chamber of Commerce

HealthCare Institute of New Jersey  
Hoboken Chamber of Commerce  
Home Care & Hospice Association of New Jersey  
Home Health Services Association of New Jersey  
Hudson County Chamber of Commerce  
Hunterdon County Chamber of Commerce  
Independent Insurance Agents & Brokers of NJ  
Insurance Council of New Jersey  
Jersey Shore Partnership  
Mahwah Regional Chamber of Commerce  
Marine Trades Association of New Jersey  
Middlesex County Regional Chamber of Commerce  
Meadowlands Chamber  
Monmouth Ocean Development Council  
Morris County Chamber of Commerce  
NAIOP-NJ  
National Federation of Independent Business (NFIB)  
Newark Venture Partners  
Newark Alliance  
Newark Regional Business Partnership  
New Jersey Apartment Association  
New Jersey Asphalt Pavement Association  
New Jersey Association of Osteopathic Physicians and Surgeons  
New Jersey Association of Mental Health & Addiction Agencies  
New Jersey Builders Association  
New Jersey Business & Industry Association  
New Jersey Camps Government Affairs Project  
New Jersey Campground Owners and Outdoor Lodging Association  
New Jersey Chamber of Commerce  
New Jersey Chemistry Council  
New Jersey Civil Justice Institute  
New Jersey Coalition of Automotive Retailers  
New Jersey Concrete and Aggregate Association  
New Jersey Council of County Colleges  
New Jersey Dental Association  
New Jersey Food Council  
New Jersey Gasoline-Convenience-Automotive Association  
New Jersey Hotel and Lodging Industry Association  
New Jersey Independent Electrical Contractors Association  
New Jersey Liquor Store Alliance  
New Jersey Manufacturing Extension Program, Inc.  
New Jersey Motor Truck Association  
New Jersey Pharmacists Association  
New Jersey Podiatric Medical Society  
New Jersey Restaurant & Hospitality Association

New Jersey Retail Merchants Association  
New Jersey Salon and Spa Coalition  
New Jersey Self Insurers Association  
New Jersey Society of Certified Public Accountants  
New Jersey State Chamber of Commerce  
New Jersey State Funeral Directors Association  
New Jersey State Veterans Chamber of Commerce  
New Jersey Tourism Industry Association  
New Jersey Utilities Association  
New Jersey Warehousemen & Movers Association  
New Jersey Utilities Association  
New York Shipping Association, Inc.  
NJ Society of Optometric Physicians (NJSOP)  
North Jersey Jewish Business Alliance  
Ocean City Chamber of Commerce  
Princeton Mercer Regional Chamber of Commerce  
Professional Insurance Agents of New Jersey (PIANJ)  
Recreational Fishing Alliance  
Salem County Chamber of Commerce  
Somerset County Business Partnership  
Southern NJ Development Council  
Southern Ocean County Chamber of Commerce  
Statewide Hispanic Chamber of Commerce of NJ  
Sussex County Chamber of Commerce  
TechUnited:NJ  
The Greater NJ Motorcoach Association  
The United Boatmen of N.J.  
Union Township Chamber of Commerce  
Utility & Transportation Contractors Association  
Washington Borough BiD