

# New Jersey Chamber Alliance

The individual and collective mission of our Chambers of Commerce is to create and maintain a favorable business environment that will help all segments of the New Jersey economy to grow. All of these chambers are fully invested in the success of our state's economy, our communities and our member businesses.

March 8, 2021

Dear Members of the NJ State Legislature:

As you consider the governor's proposed Fiscal Year 2022 budget, the below chambers of commerce representing all regions of the state would like to provide feedback and offer suggestions about ways to most effectively allocate funds that will help our economy recover from the shutdown caused by the pandemic and effectively attack our state's most pressing issue – the economic crisis.

We would first like to acknowledge many positive elements in this proposed budget, particularly that it does not include new or increased taxes, fees or fares. We also appreciate the necessary investments in education, innovation and infrastructure modernization. We encourage you to keep these items in the final budget.

Additionally, we are grateful for the measures that the Legislature has passed over the last several months which have alleviated issues for businesses operating during the pandemic. And of course, we are looking forward to the implementation of the Economic Recovery Act of 2020, which could provide a great foundation for a robust economic recovery.

This pandemic has devastated the state in both the medical and the economic sense. The governor has said from the beginning that public health creates economic health. Now that the number of hospitalizations and positive COVID-19 tests are trending downward and the vaccination process is underway, there are reasons to be optimistic that we are on a road to recovery and to achieving herd immunity. As we continue to lift restrictions and allow for more businesses to open up, we need to equip them with the tools they need to survive, recover and succeed.

When talking about the proposed budget, the governor said this is the time to put in motion a plan to spark New Jersey's recovery and get our economy moving forward. He further said the details in his proposed 2022 state budget would supercharge our re-emergence from the pandemic.

While we completely agree with the governor's goal, we believe that adjustments in spending allocations must be made in order to accomplish this. Since the start of the pandemic, chambers across the state have advocated for working capital for businesses. The need for this capital is evidenced by the enormous oversubscription of all the EDA grant and loan programs to date, plus the large utilization of PPP loans by New Jersey businesses.

The strong demand for capital is further evidenced by the number of recent PPP loans awarded. Specific to New Jersey, between January 11 and February 21, more than 50,000 businesses have been approved for first and second draw loans totaling about \$4.4 billion.

If we are to efficiently and successfully "supercharge" our economic recovery, \$200 million in the budget is inadequate to achieve that goal.

We should not forget that \$300 million in aid to small business has already been proposed in the Legislature. We cannot short change business in this very crucial time. We cannot afford to have allocated funds oversubscribed again. We need to ensure that qualified businesses can get capital because this is the last opportunity many of them will have to survive and recover. This is a time to accommodate all legitimate requests rather than underfund and cause more businesses to close. We recommend funding in the \$500-\$600 million range. We further recommend maintaining the funding in the segments as defined by the governor's budget with the balance of the funding used for general small and middle market business.

Under normal circumstances, the NJ Chamber would support a full payment to the pension system and consider it fiscally sound, but in today's extraordinary economic circumstances, we believe some of this allocation would be more

effectively spent investing in revitalizing our economy so we can generate the revenues needed to make more responsible pension payments down the road. However, if there are other spending allocations in the budget that could be reduced or reallocated to achieve this goal, then we would support the full pension payment.

We also need to ensure that any future dollars that NJ realizes in federal aid proposed in the COVID-19 relief legislation currently moving through Congress can be used for productive purposes such as replenishing the state unemployment fund or reducing debt – both of which would bode well for the state’s future economic situation.

Furthermore, the state must further cut the cost of government and invest in opportunities for business growth. This is the foundation we need for a strong and sustained economic recovery.

We believe that supercharging the recovery and revitalization of our economy is achievable within this budget if our requests are implemented. The medical numbers are improving, the pace of vaccinations is increasing and our economy is beginning to reopen. There is an increased focus on vaccinating teachers and reopening our schools so parents can return to work. If you add adequate business funding to these positive trends, our state can recover quickly and, in fact, New Jersey could lead the nation in its economic recovery.

One final observation – the funding we are requesting is needed now. Whatever procedures are necessary to provide the capital needs of our cash-starved businesses should be employed as soon as possible to alleviate unnecessary hardships for them. Businesses cannot wait until July. We must address these issues with a sense of urgency.

We would welcome the opportunity to discuss these ideas, to offer additional insights during the budget procedures and to discuss other pro-business and job-creating legislation.

For questions or further information, please contact Laura Gunn, Director of Government Relations for the State Chamber of Commerce, at [laura@njchamber.com](mailto:laura@njchamber.com) or (609) 789-5268.

Sincerely,

African American Chamber of Commerce of NJ  
Bridgeton Area Chamber of Commerce  
Burlington County Regional Chamber of Commerce  
Camden County Regional Chamber of Commerce  
Cape May County Chamber of Commerce  
Capital Region Minority Chamber of Commerce  
Cliffside Park Chamber of Commerce  
Cranford Area Chamber of Commerce  
Eastern Monmouth Area Chamber of Commerce  
Fair Lawn Chamber of Commerce  
Fort Lee Chamber of Commerce  
Gateway Regional Chamber of Commerce  
Greater Atlantic City Chamber of Commerce  
Greater Long Branch Chamber of Commerce  
Greater Toms River Chamber of Commerce  
Greater Vineland Chamber of Commerce  
Greater Westfield Area Chamber of Commerce  
Ho-Ho-Kus Chamber of Commerce  
Howell Chamber of Commerce  
Hudson County Chamber of Commerce  
Hunterdon County Chamber of Commerce  
Irvington Chamber of Commerce  
Mahwah Regional Chamber of Commerce  
Meadowlands Chamber of Commerce

Middlesex County Chamber of Commerce  
Middle Township Chamber of Commerce  
Midland Park Chamber of Commerce  
Monmouth Ocean Development Council  
Mount Olive Area Chamber of Commerce  
Morris County Chamber of Commerce  
Newark Regional Business Partnership  
NJ LGBT Chamber of Commerce  
NJ State Chamber of Commerce  
North New Jersey Chamber of Commerce  
Orange Chamber of Commerce  
Point Pleasant Borough Chamber of Commerce  
Princeton Mercer Regional Chamber of Commerce  
Roxbury Area Chamber of Commerce  
Salem County Chamber of Commerce  
Sea Isle City Chamber of Commerce and Revitalization  
Somerset County Business Partnership  
Southern Ocean County Chamber of Commerce  
Suburban Chamber of Commerce  
Sussex County Chamber of Commerce  
Union Township Chamber of Commerce  
Waldwick Chamber of Commerce  
Woodbridge Metro Chamber of Commerce