

www.njbia.org/recovery

April 20, 2021

Dear Governor Murphy,

Over the last year, the New Jersey Business Coalition has relayed to you the needs and challenges being faced by our New Jersey companies and nonprofits in the face of the pandemic. We have provided research, recommendations, best practices and direct input from those we represent. We have been responsible in our recommendations for reopening following your initial goals that "data will determine dates" and "public health drives economic health." When flattening the curve was the goal, we ensured that we maintained communication with our healthcare providers so that our recommendations would not overwhelm our healthcare system as the state did, in fact, flatten the curve. As our healthcare numbers entered a new surge in the fall, we stepped back and understood that the continued reopening of indoor activities would be a challenge through the cold weather months.

With the warmer weather months ahead and the promise that vaccines will keep our residents safer, we have presented the ongoing challenges of planning for seasonal events and business activities during a recent Town Hall event and have repeatedly requested a more comprehensive plan for our continued reopening in order to bring our economy back. We write again today to restate these asks with an emphasis on certain priorities that we believe will assist our great state in a more expeditious recovery. We do this because we cannot sustain on the current economic model, and it appears clear that our current pandemic state will not be changing anytime soon. We want to recognize that at this point in time, right now, we are experiencing the new normal. And it is in this new normal where we need a comprehensive plan not only to address how to operate for the longer term, but in the environment, we find ourselves in today.

To that end, we request your actions on the following priorities.

First, we need visibility to a comprehensive plan to know how the easing of COVID-19 restrictions will proceed so that our businesses can anticipate their operational and workforce needs now. Second, we request that your administration revisit and revise past Executive Orders (EOs) that are no longer necessary or potentially contradict existing EOs. Third, to be best prepared to put our workforce back to work as soon as practicable, we need immediate strategies and support for targeted upskilling and reskilling efforts to prepare our displaced workers for jobs requiring new and higher-level skills, as well as to ensure currently unemployed workers are prepared to fill open job positions that exist today, especially in high-demand industries.

A Comprehensive Reopening Plan:

We reiterate that the business community needs specific reopening benchmarks and dates to provide transparency and predictability. After over a year of the pandemic restrictions, businesses continue to reel: the number of small businesses open as of March 22 was down 38.4% relative to January 2020. Although COVID-19 cases and hospitalizations plateaued after coming down in February, over 2.1 million of those who live, work, or are educated in the state have been vaccinated – which is over 47% of our vaccination goal. Accordingly, with Memorial Day just a short 45 days away, we need a comprehensive strategic reopening plan that outlines the indicators and thresholds that will determine further reopening this spring and summer. Businesses need that predictability to make informed decisions that are right for their operations,

employees, and customers. We appreciate the steps taken in recent months to responsibly ease restrictions. However, given that we are coming closer to our vaccination target and the warmer months are here, businesses need to know how they can expect restrictions to change moving forward.

Revisiting Executive Orders (EOs):

Over the last year, businesses and individuals have been following the guidance outlined in the EOs. Our associations often receive inquiries about compliance when new EOs contradict older ones. Accordingly, we request that your administration review prior EOs, rescind outdated requirements, and revise old language to make compliance easier for our businesses.

One area where we think an updated framework would be useful is for large gatherings/events. The framework that has been applied throughout the pandemic has put "one-size-fits-all" numerical limits on gatherings, which are currently set at 200 persons (EO 234) and 25 persons (EO 230) for outdoor and indoor gatherings respectively. Given what we have learned over the last year about the effectiveness of social distancing and mask-wearing, and the lower risk of transmission associated with outdoor settings, we believe the framework for gatherings should be revisited so that capacity restrictions are with respect to venues' square footage. This would allow larger venues to have more attendees for events, without undermining the public health protocols that have brought us through this pandemic.

Additionally, we request that you revisit the guidelines for telework laid out in EO 107. Given what we have learned about preventing COVID-19 transmission since these guidelines were initially put forth in March 2020, we believe it makes sense to clarify that **businesses are allowed to return to in-person office work**, but that the state continues to encourage businesses to practice telework where practicable.

Upskilling and Reskilling our Workforce

Workers have suffered greatly during this pandemic, with 45.7% of New Jersey's pre-pandemic civilian labor force having filed an initial Unemployment Insurance (UI) claim as of March 27. Throughout the pandemic, experts have highlighted the disproportionate impacts of jobs losses on women and minority workers as well as lower-wage/lower-skilled workers, while warning that certain job losses would be permanent due to accelerated automation and changes in consumer demand. A 2021 McKinsey Global Institute study found that in the United States, 10.1% of the workforce might need to transition to new jobs by 2030. Further, we hear from our workforce experts and educators that the jobs being trained for now during COVID-19 are jobs they did not anticipate seeing an upskilling demand for until 2024- meaning the pace has accelerated as a result of the pandemic and the immediate need for more highly technical skilled workers. While some jobs might be gone for good, new opportunities will be created: the study expects low-skill occupations in customer services, sales, office support, food services, production, and warehousing to shrink as a share of total employment, while opportunities for STEM and health professionals are expected to increase. New Jersey needs a comprehensive plan to train our displaced workers and upskill all workers to prepare for the jobs that are emerging as we continue toward a post-pandemic economy, as well as those in demand jobs requiring these skills right now.

Our displaced workers need access to training to develop in-demand skillsets that will land them new opportunities. Without a concentrated effort now to assist our workforce, in-demand jobs will remain unfilled, and our state will lag in its full economic recovery. To that end, we urge you to allocate a significant portion of the federal American Rescue Plan funds toward established workforce development programs. This can be done through support for our county colleges, county vocational-technical schools, private career schools, STEM funding for 4-year colleges, STEM fellowship programs, and through the replenishment of the Workforce Development Partnership Fund & Supplemental Fund for Workforce Basic Skills.

Another immediate workforce crisis is looming for our seasonal industries given the challenges in the current J-1 Visa program. Seasonal businesses rely on the program in order to fill the thousands of open positions that must be filled in order to run these businesses at the capacity needed to meet the demand for services and drive the revenue needed to keep these businesses open. We are well aware of the economic impact of the seasonal businesses on our state and local economies. As such, we must do everything in our power to ensure they have a successful season. With few, if any, J-1 interviews taking place, seasonal businesses and camps nationwide, have shortened their season or hours, and laid off or furloughed full-time workers as a direct result of not being able to fill their workforce needs through visa workers, even during a period of high nationwide unemployment. We thank you for your advocacy at the federal level on this issue, but also ask that you consider how state resources can be used now to bolster the hiring efforts for these businesses. Two examples could be support for a marketing campaign to attract workers, as well as grant programs to help supplement workers' wages in order to make the jobs more attractive for this season.

In conclusion, we request your consideration of these priority areas. A comprehensive reopening plan with specific dates and updated capacity numbers; the revisiting of outdated EOs and steps to ensure our workers have the training opportunities they need so businesses have the guidance and workforce they need to successfully reopen and thrive this spring and summer.

If you have any questions, please contact NJBIA Chief Government Affairs Officer Chrissy Buteas at cbuteas@njbia.org.

Sincerely,

African American Chamber of Commerce of New Jersey, Inc.

American Camp Association NY/NJ

American Institute of Architects

New Jersey Camps Government Affairs Project

American Council of Engineering Companies of New Jersey

American Physical Therapy Association of New Jersey

Bernards Township Regional Chamber of Commerce

Big I New Jersey

Burlington County Regional Chamber of Commerce

Bus Association of New Jersey (BANJ)

Cape May County Chamber of Commerce

Capital Region Minority Chamber of Commerce

Chamber of Commerce of Greater Philadelphia

Chamber of Commerce Southern New Jersey

Chemistry Council of New Jersey

Commerce and Industry Association of New Jersey

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

Gloucester County Chamber of Commerce

Greater Atlantic City Chamber of Commerce

Greater NJ Motorcoach Association

Greater Lehigh Valley Chamber of Commerce

Greater Toms River Chamber of Commerce

Greater Westfield Area Chamber of Commerce

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

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-NI

National Federation of Independent Business (NFIB)

Newark Regional Business Partnership

New Jersey Asphalt Pavement Association

New Jersey Association of Osteopathic Physicians and Surgeons

New Jersey Bankers Association

New Jersey Builders Association

New Jersey Business & Industry Association

New Jersey Campground Owners and Outdoor Lodging Association

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 Fitness Alliance

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 Society of Certified Public Accountants

NJ Small Business Coalition

New Jersey State Funeral Directors Association

New Jersey State Veterans Chamber of Commerce

New Jersey Tourism Industry Association

New Jersey Utilities Association

New Jersey YMCA State Alliance

New Jersey Warehousemen & Movers Association Newark Regional Business Partnership North Jersey Jewish Business Alliance New York Shipping Association, Inc. Ocean City Chamber of Commerce Princeton Mercer Regional Chamber of Commerce 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 The American Planning Association - NJ Chapter The United Boatmen of N.J. Union Township Chamber of Commerce Washington Borough BID

cc: Members of the New Jersey Legislature