

PREPARING FOR THE NEXT NORMAL

*Recommendations for Supporting New Jersey's
Business Community and Reopening the Economy*



APRIL 19, 2021

INTRODUCTION

For over a year, COVID-19 has changed how New Jersey residents and businesses live and operate. Businesses were forced to close, employees worked from home, less fortunate individuals were laid off or furloughed, and students moved to virtual classrooms. People connected via video conference, bought their groceries online and ordered takeout food more than ever before. As the number of positive cases in New Jersey rose early in the pandemic, it remained unknown how long these changes would need to be in place. The state tried to strike a balance of ensuring residents safety and their strong desire to get back to some semblance of normalcy. The approval and disbursement of various vaccines over recent months has brought a light at the end of the tunnel allowing all to begin focusing on what comes next.

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As the state and its residents continue to prepare to return to life as it was pre-pandemic, it is with the acknowledgment that there will be some aspects of life that will look different. The state must start planning now for the “next normal” and how it will impact its residents and businesses. Businesses need stability and certainty to plan for a safe return and to increase consumer confidence, something that is difficult to achieve given the uncertainty of the virus. However, the state must take the lead on presenting a clear and concise roadmap to open the economy as individuals begin returning to work and businesses safely reopen.

The Chamber of Commerce Southern New Jersey (CCSNJ) assembled a Working Group of approximately 100 members, many of which are high-level CCSNJ Officers and Directors, from various industries and business sizes. Their objective was to discuss what is needed to prepare for the next normal and how state government can effectively reopen the economy, and guide residents successfully, if they learn from the victories and mistakes of the past year. The Working Group traded experiences and suggestions on what the business community needs to succeed as reopening continues in a post-pandemic world, and most importantly, how government can assist businesses in standing up New Jersey’s economy quickly and effectively. This report details the suggestions and proposals from the six Working Group discussions, which took place over two weeks in late February and early March, and survey results from many others, on how government can help businesses succeed post-pandemic.

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One thing is indisputable, the successful deployment of COVID-19 vaccines is the most critical component to New Jersey’s economic success. High rates of vaccination will give residents and businesses the confidence needed to return to restaurants, casinos, and Main Street businesses alike. As of April 17, 5,934,148 vaccines have been distributed in New Jersey with 2,428,796 residents fully vaccinated, and that number will continue to grow with Governor Phil Murphy opening vaccination eligibility to all New Jersey residents. The sooner New Jersey can get its population vaccinated, the sooner we can get back to business, albeit in a new normal.

The following pages contain a series of recommendations from the business community to state government as they look to move to the next normal – for their business, their employees and the successful return of New Jersey’s economy.

BUSINESS ASSISTANCE PROGRAMS

Throughout 2020, the Murphy Administration and the state legislature acted quickly on numerous occasions to provide business assistance during and after the stay-at-home order was put in place. These programs included grant and loan programs to help with cash flow, payroll and overall access to capital, personal protective equipment (PPE) acquisition, lease payment assistance and childcare assistance grants, to name a few. Programs and resources were created and executed primarily by the New Jersey Economic Development Authority (NJEDA) on a timely basis with minimal issues; however, as it relates to grant programs, near immediate oversubscription highlighted the overall demand for assistance.

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Unfortunately, today many of the same needs remain, especially for small, women and minority-owned businesses. It is prudent for state government officials to assess what current programs are still of value and think creatively about new programs that could be essential tools as businesses adjust to the next normal. With the passage of the American Rescue Plan in March, New Jersey is slated to see approximately \$6.4 billion in federal assistance. This influx of federal aid presents tremendous opportunity for state government to establish new programs and replenish previous programs that can be critical to the business community’s recovery in New Jersey.

Below are some of the CCSNJ Working Group’s recommendations for current and new assistance programs needed by New Jersey’s business community.

New Jersey Programs to Continue/Relaunch	Suggestion
<p>✓ Small Business Emergency Assistance Grant Program</p>	<p>On April 14, NJEDA announced Phase 4 of the Small Business Emergency Assistance Grant Program, which includes a new influx of \$85 million from Coronavirus Aid, Relief, and Economic Security (CARES) Act funding to support small businesses. The CCSNJ commends the expansion of this program as business owners do not want more loans, even if they are low-interest or forgivable. Most are overleveraged and simply need cash to assist in their recovery. Assuming this program will again be oversubscribed, the CCSNJ suggests NJEDA prepare to launch Phase 5 as soon as possible after Phase 4 closes. However, the CCSNJ also recommends reassessing what constitutes a “small” business as multiple state programs have varying definitions of “small” based on employee count, making the programs inconsistent and frustrating for those eligible for some, but not all programs.</p>

<p>Micro Business Loan Program</p>	<p>Micro businesses have had a particularly difficult time responding to the challenges of COVID-19. Although later iterations of the Small Business Emergency Assistance Grant Program included micro businesses, many were unable to benefit from it due to rapid oversubscription. The CCSNJ recommends reopening the Micro Business Loan Program as a grant program using federal assistance as many micro business owners simply cannot take on more debt.</p>
<p>PPE Access Program</p>	<p>The PPE Access Program continues to be a valuable tool for businesses to acquire the needed PPE at a reasonable rate. The CCSNJ encourages the state to contact businesses deemed “essential” last year, as many have stockpiles of unused PPE that may be willing to sell it back to the state for use during future emergencies. The CCSNJ stands ready to help state government collect this information from businesses to help prepare for future needs and supplement the current PPE Access Program.</p>
<p>New Jersey Childcare Assistance Grant</p>	<p>Businesses of all sizes have been clear that an employee’s inability to return to work due to difficulty obtaining childcare is a top employment and reemployment issue. This excellent, but little-known program, is no longer accepting new applications and should be prioritized as the state continues to reopen. The CCSNJ encourages the state to accept new applications, which will help families, especially working mothers, pay for childcare costs. As more people return to their offices, this program will be even more crucial and remains a fundamental part of reversing unemployment trends and returning the workforce to normalcy.</p>
<p>Expand the Ignite New Jersey Program</p>	<p>Due to the unprecedented amount of layoffs during the pandemic, many used their entrepreneurial spirit to start their own businesses. However, as the state evolves to the next normal these businesspeople will need to identify office space to operate in. The Ignite program is currently for start-ups with somewhat rigid application criteria. The CCSNJ recommends expanding this program to include sole-proprietors and micro-businesses created during the pandemic to assist them with workspace costs in a post-pandemic environment.</p>

New Programs to Launch	Suggestion
<p>Grant/Rebate Program for Proactive Safety Steps Taken by Businesses</p>	<p>Many businesses took it upon themselves to invest in tools and technology that would make their business safer. Expensive indoor air purification systems and technology upgrades, such as contactless payment systems and video monitoring to examine customer behavior, were acquired with little or no financial assistance. The CCSNJ recommends state government create a program for businesses that made investments proactively to assure the safety of employees, customers and to build overall consumer confidence. The state was rightfully supportive of similar programs for the restaurant and hospitality industries that purchased expensive tents and outdoor heating units; this suggested program should be similar for other businesses and industries that also made significant safety investments.</p>
<p>Assistance Program for Redesign of Interior Workspaces</p>	<p>As employees return from a work from home environment to an office setting, employers must make costly adjustments to their interior space to assure social distancing, protective barriers and other internal controls are in place. Most of the needed materials are not included in the PPE Access Program. The CCSNJ suggests either expanding the PPE Access Program to include these types of products, or creating a new program aimed at helping employer assure their offices are safe for return.</p>
<p>Subsidies for Employer-Based Child Care Facilities</p>	<p>As previously mentioned, one of the largest challenges facing the employer community is the inability to help employees with childcare options during the pandemic. The CCSNJ determined that some employers would be open to creating childcare spaces within their offices, but the costs associated with doing so are a deterrent. The CCSNJ offers that an assistance program should be made available to the mid and large-employer community to offset these costs, helping solve an important issues that disproportionately impacts working mothers and single parents.</p>

<p>Assistance Programs for Past/Future Information Technology (IT) Upgrades</p>	<p>Similarly, the pandemic shined a light on how equipped, or ill-equipped, businesses of all sizes were to move to a remote work environment. Some businesses were fortunate to have the money to invest in technology like laptops, printers and scanners for employees – but, many did not. Although we are moving closer to a post-pandemic environment, it is undeniable that the convenience of working from home will not diminish. The CCSNJ suggests a rebate or partnership program, similar to the PPE Access Program, which would allow employers to purchase the needed information technology (IT) equipment at a discounted rate. Or, for those businesses that have already made the needed technology investments, create a grant program that specifically assists employers in paying off the enormous costs associated with technology upgrades.</p>
<p>Future PPE Programs</p>	<p>As previously mentioned, many businesses that were deemed essential early in the pandemic now have enormous stockpiles of PPE. The CCSNJ encourages the state to work with these businesses to assess their PPE inventory and decide how to best leverage these items in case of a future health emergency.</p>



PREDICTABLE LEAD TIMES

When New Jersey was forced to shut down on March 16, 2020, it is fair to say most residents never saw it coming. The COVID-19 pandemic swept into the state and overnight our lives were drastically changed. However, immediately after the shutdown the business community began planning for reopening. Questions loomed as to when the state would reopen, what specific data was being used to “determine dates” for reopening, as Governor Murphy regularly stated, and what new restrictions would be required once reopening commenced.

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Much to the frustration of New Jersey’s business community, as well as business organizations including the CCSNJ, the questions for state government officials seemed endless and impossible to answer. When reopening was announced, advance notice was short and arbitrary. This was a problem particularly for the state’s employers with large workforces, as well as highly regulated industries such as gaming, tourism, including the amusement industry, and the hospitality industry. All of these industries also happen to be drivers of New Jersey’s economy, especially the economy of

southern New Jersey, making it nearly impossible for business to assure compliance, and therefore the safety of employees and guests, on such a short and unexpected timeline.

Nevertheless, these industries prevailed and were able to successfully reopen, even at limited capacities or capabilities, while keeping customers safe and consumer confidence high. However, as we continue to face our next reopening challenge in the coming weeks, and as summertime nears, state government must provide guidance with predictable lead times to all businesses, especially those that drive the state’s economy in the warm weather months.

Employers have a vested interest in the safety and well-being of their customers and employees. They prefer to take the safest measures possible to build confidence in their operations, but state government must learn from its past mistakes and provide businesses the time it needs to adjust to new requirements, train and prepare staff, and purchase needed PPE. Without enough time, the state is setting the business community, and therefore the economy, up for failure. The CCSNJ respectfully implores the administration to consider the laborious nature of business compliance and provide as much advance notice on reopening guidelines, preferably guidelines suggested and endorsed by their respective industry leaders, as soon as possible.



EXECUTIVE ORDER & LEGISLATIVE ACTION REVIEW

At present, Governor Murphy has extended the health emergency in the state 15 times. Some question his decision to do so and are curious as to when the health emergency should be considered over in New Jersey. The health emergency allows the Governor to have extraordinary Executive powers under the state's Emergency Health Powers Act. It also serves a dual purpose of allowing more flexibility in access to federal assistance, as well as vaccine distribution. In addition to extending the health emergency in the state, the Governor has signed 122 Executive Orders since COVID-19's outbreak, most of which deal directly with restrictions or other guidance regarding the pandemic.

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As New Jersey inches closer to the next normal, it is important that these Orders are reviewed to ensure businesses are not being hindered by previously established guidance that were specifically issued to combat the spread of the virus. Similarly, it is equally important to review positive governmental actions that were taken over the past year and consider if they should remain in place after the conclusion of the public health emergency. The CCSNJ strongly recommends that the assessment of Executive Orders also contain

a cost analysis of how Executive actions impacted revenues and the overall economy as the health emergency continues to be extended. This assessment is no different than a fiscal estimate performed regularly by the New Jersey Office of Legislative Services (OLS). However, seeing this important assessment was not done on the frontend, it is even more important to evaluate on the backend for historical value, taxpayer transparency and a comprehensive overview of how governmental restrictions fiscally impacted the state.

Outside of Executive Orders, the state legislature has taken action on several pieces of legislation that end on the “termination of Executive Order 103 of 2020”, which was the Governor's first Executive Order announcing the health emergency in New Jersey. A similar review of legislation that has been passed with this language in it would be a worthwhile review before the health emergency ends, so that residents and businesses or other impacted parties can prepare for upcoming statutory changes.

The CCSNJ respectfully submits two suggestions on how best to assess governmental actions taken during the pandemic. First, the Executive Order and statutory review can be conducted by the Restart and Recovery Commission and Council as a part of their potential new objectives outlined subsequently. The individuals selected to serve on these groups are experts in their fields and can provide a plethora of feedback on what Orders and other governmental actions are necessary. Another option, however, is the creation of a Task Force specifically designed to analyze governmental rules and restrictions. This Task Force would be comprised of representatives from the Executive Branch, as well as legislative leadership, business and other community organizations not to exceed 11 individuals. A report should be produced on the best steps forward.

Regardless of how this recommendation is enacted, the CCSNJ submits that the definition of what constitutes a “health emergency” is clearly defined in the future. Of course, no one disagrees that a global pandemic represented the need for a health emergency. However, given the lack of data driven decision-making from government officials, a more thorough definition would give the residents and New Jersey's business community greater understanding and a fairer expectation of what constitutes a “health emergency” in the future.

Although the Executive Orders and legislative measures were taken to protect the safety, health and welfare of New Jersey residents, a discussion must begin on rescinding some of these measures for the overall economic health of the state, as well as the mental health and well-being of its residents.

REVAMP RESTART AND RECOVERY GROUPS

From the start of the pandemic, several recovery groups were unveiled to assist the administration in its handling of the health crisis. Initially, the Governor's Restart and Recovery Commission was announced, which consisted of 21 individuals who are experts in various disciplines and charged with advising the administration on the timing and preparation for New Jersey's recovery from the COVID-19 shutdown. Shortly thereafter, the Governor's Restart and Recovery Advisory Council brought together hundreds of leaders from diverse industry groups and community organizations throughout New Jersey to advise state leadership on economic matters impacted by COVID-19. The CCSNJ was honored to participate on the Main Street subcommittee of this Council. There was also an Atlantic City-specific recovery group, the Atlantic City Restart and Recovery Working Group, of which CCSNJ President and CEO Christina Renna was proud to serve as vice-chair.

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Of late, some of these groups have been criticized for being underutilized at the peak of the pandemic. Still, it is indisputable that the experts that the administration selected to participate on these Commissions and Councils have a wide variety of expertise that should continue to be leveraged as the state emerges from the pandemic.

The CCSNJ recommends that these groups be converted into long-term planning Councils with a specific focus on reopening the economy and safely returning to the next normal. The framework for these groups is already in place; the focus simply needs to be shifted and the CCSNJ implores the administration, should they take this suggestion, to listen and value the suggestions presented by these individuals, and allow that information to drive smart decisions looking ahead.

ENSURING EQUITY

There have been enumerable affects from the pandemic on the business community as a whole, but none more than those that operate in New Jersey's urban centers, which are predominantly small, women and/or minority-owned enterprises. During the height of the pandemic 58 percent of New Jersey's women and minority-owned businesses furloughed 75 percent or more of their staff, compared to 43 percent of white male-owned businesses.

As one of the most diverse states in the nation, New Jersey’s business community should reflect that diversity in its recovery and commendably, the Murphy Administration has made equity a cornerstone of its efforts. The CCSNJ strongly supports the below package of bills, which would aid in the development and growth of minority and women-owned businesses in New Jersey, helping those that were able to survive the pandemic do so and thrive with greater state government support.

This bill package, sponsored by Senator Troy Singleton, reflects a key strategic priority for the CCSNJ to foster an inclusive community that embraces the diversity of the companies, organizations and individuals we serve within our respective memberships.

S-2770 (Singleton/Ruiz): Establishes the position of Minority Depository Institution Coordinator in the NJEDA.

- The bill passed the full Senate on February 19 and awaits consideration by the Assembly.

S-2772/A-5243 (Singleton/Sumter): Establishes a “Biannual Small Business Matchmaker Initiative” in the New Jersey Department of State.

- This bill passed the full Senate on February 19 and awaits consideration by the Assembly.

S-2525/A-4274 (Rice/Singleton/Turner/Conaway/Sumter): Expands the powers and duties of the New Jersey Chief Diversity Officer to promote diversity in state government and public contracting.

- This bill passed both Houses on March 25 and awaits action by Governor Murphy.

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Additionally, the CCSNJ was pleased to participate in several conversations regarding Senate President Steve Sweeney’s Task Force on Private Sector Employment Opportunities for Individuals with Disabilities (IDD). As part of a strong reopening and recovery, private sector employers have an opportunity to ensure that this community is included in the returning workforce. The CCSNJ has increased our efforts to provide information to members and connect them with nonprofit resources within the IDD community. Consideration of the needs of the physically and intellectually disabled

should be an integral part of any business reopening strategy, as many private sector employers are looking at new ways of operating in the next normal.

In a recent letter to the New Jersey Legislative Disability Caucus, the CCSNJ also recommended that state government consider developing a program for employers through the New Jersey Department of Human Services (NJHHS), in coordination with the New Jersey Department of Labor & Workforce Development (NJDLWD) and the New Jersey Department of Education (NJDOE), which would connect nonprofits that provide job coaching and training for the disabled community to private entities. Given that NJHHS has record of the entities that provides these services, and NJDLWD has awareness of private sector companies with employment needs, and NJDOE tracks information of students readying for graduation and therefore employment, this seems to be a natural suggestion as to how state government can work together to encourage hiring within the disabled community.

Resources must be put towards addressing all the effects of the pandemic, which includes the most vulnerable and most impacted businesses and members of New Jersey’s workforce. The CCSNJ stands ready to assist in any way to assure the inclusion of all business owners in the state’s reopening and ongoing recovery strategies.

GEOGRAPHIC REOPENING APPROACH

On March 16, 2020 when New Jersey's stay-at-home order was put in place it was done meticulously, but unfortunately in a one-size-fits-all fashion that did not take into consideration the health data and demographic considerations of certain areas of the state. Restrictions were put in place by industry, with some businesses considered "essential" based on the administration's guidance and without input from the business community.

The CCSNJ was one of the first organizations to put forth a regional approach to reopening. Last May, the CCSNJ submitted to the state legislature and Governor the [South Jersey Economic Reopening and Recovery Plan](#), which put forward a regionalized approach to reopening that takes COVID-19's impact into account and outlined a detailed, staggered economic approach to resuming business operations in the southern portion of the state where the risk remains the lowest.

“As case numbers fluctuate across the state and the vaccine deployment continues, the CCSNJ believes that a geographic approach, instead of the one-size-fits-all approach, is the most responsible way for New Jersey to restart its economy.”

New Jersey's neighbors in Pennsylvania and New York allowed for a regional approach to reopening. As case numbers fluctuate across the state and the vaccine deployment continues, the CCSNJ believes that a geographic approach, instead of the one-size-fits-all approach, is the most responsible way for New Jersey to restart its economy. The CCSNJ supports the legislature's passage and Governor's signature of [A-4910 \(Burzichelli\)/S-3093 \(Gopal\)](#), which establishes county-based mitigation plan to allow businesses to operate during pandemic.

Similar to the approach took in Pennsylvania, Governor Wolf in consultation with the Pennsylvania Department of Health Commissioner, developed and implemented a regional mitigation plan based on empirical data, over a seven-day rolling average, and established three categories of risk organized by color-coded phases — red, yellow and green. The plan gives Pennsylvania businesses, and therefore the economy, the opportunity to financially recover while maintaining the health and safety of all residents.

It is imperative that New Jersey be more thoughtful in its reopening approach as individuals get vaccinated and life moves closer towards the next normal. A geographic reopening plan that assesses demographics and health data is a proven method that continues to be used successfully by other states, and should be the model that New Jersey adopts in the coming weeks and months.

COORDINATED MESSAGING CAMPAIGN

“ In the coming weeks and months... the state will need government officials to lead by example and show residents how to remain safe, while no longer being fearful to live everyday life. ”

Upon multiple conversations with the CCSNJ Working Group, one theme that consistently emerged was the need for a coordinated, statewide approach to ensure that residents know it is safe return to pre-pandemic activities. In the coming weeks and months, assuming vaccination levels continue to increase, and new variants of the virus are not widely spread, the state will need government officials to lead by example and show residents how to remain safe, while no longer being fearful to live everyday life. This would be especially helpful to the business community, including the hardest hit industries such

as restaurants, gaming, hospitality, and tourism, and assist in communicating that it is safe to visit their favorite facilities and enjoy their regular services once again.

The campaign should also include detailed information on all of New Jersey’s major industries, along with their specific safety information, and encourage residents to participate in the state’s economic recovery. An example of this can be found over recent years in New Jersey. Following the devastation caused by Superstorm Sandy, the state ran the “Stronger Than the Storm” campaign to ensure that the seasonal visitors to the state knew New Jersey was open for business. New Jersey should consider creating a similar statewide public relations campaign to ensure residents know it is safe to resume previous activities and for out of state visitors to return, while also highlighting ways to remain safe as the state continues to gradually reopen.

Additionally, in July of 2020 the administration unveiled its “One Jersey” pledge document, issued in multiple languages, that listed items that both employers and employees would commit to doing to assure a safe business environment. Unfortunately, the “One Jersey” pledge was slow to gain traction and many businesses remain unaware of the administration’s efforts at a well-intended public relations campaign specifically targeted to businesses. The CCSNJ respectfully suggests the administration consider updating the “One Jersey” pledge, with different messaging regarding business safety to build consumer confidence, as well as a stronger and more coordinated rollout plan designed to achieve the maximum impact on the state’s business community.

NECESSARY LEGISLATIVE ACTIONS

Examining the current fiscal climate is vital to making significant policy decisions to assist with the economic recovery of the state. The business community has long argued that New Jersey is an unaffordable and unfriendly place to do business, and comprehensive measures need to be pursued in order to change this reality, bring New Jersey's economy back and improve it. The CCSNJ respectfully offers recommendations from the Working Group on taxation and affordability policies, which have the ability to propel the state's post-pandemic fiscal climate.

Requested Action	Legislation
<p>Address the Overall High Cost of Living New Jersey has a true affordability crisis with the highest property taxes in the nation, highest Corporation Business Tax (CBT) in the nation, and the second highest top marginal personal income tax rate in the nation. The out-migration of wealth has increased during the pandemic, which will only strain the state budget further leading to even higher taxes in the future.</p>	<p>The Path to Progress Report from the New Jersey Economic & Fiscal Policy Workgroup makes a number of reasonable suggestions that if passed could lead to a more affordable and competitive New Jersey.</p> <p>S-1 (Sweeney): Encourages sharing of services; makes appropriations.</p> <ul style="list-style-type: none"> This bill was favorably released from the Senate Budget and Appropriations Committee on February 11 and awaits consideration by the full Senate. <p>S-3488 (Sweeney/Gopal): Modifies certain procedures pertaining to school district regionalization; establishes a grant program for cost reimbursement of conducting regionalization feasibility studies; and provides financial incentives for regionalization.</p> <ul style="list-style-type: none"> This bill passed the full Senate on March 25 and awaits consideration in the Assembly.
<p>Sales Tax Holiday for Small Businesses Many small businesses were forced to close their doors to customers for months and are struggling to remain open. Additionally, because of the stay-at-home order cash flow was disrupted, which severely hampered the ability of many businesses to pay the sales tax they collected and file their returns in a timely manner.</p>	<p>A-3866 (Bergen/Auth): Establishes sales tax credit and sales tax holiday for a portion of state of emergency related to COVID-19 pandemic.</p> <ul style="list-style-type: none"> This bill awaits consideration by the Assembly Budget Committee. <p>A-3937 (Dancer): Allows for a 45-day extension for filing a return under the sales tax during the COVID-19 health emergency.</p> <ul style="list-style-type: none"> This bill awaits consideration by the Assembly Budget Committee.

<p>Liability Protection for Employers</p> <p>Given the difficulty of determining where one catches the coronavirus, employers are concerned that about the possibility of a slew of lawsuits when it is deemed safe to return to work. Businesses which in good faith comply with applicable public and personal health and safety measures to prevent or mitigate a person’s exposure to the virus should be protected from frivolous lawsuits.</p>	<p><u>A-4377/S-2628 (Frieman/Lopez/Diegnan/Bucco):</u> Establishes general immunity for businesses, including non-profits, and public and private colleges and universities, and their officers, employees, and agents, against actions relating to the COVID-19 health emergency or related viral strain in subsequent years.</p> <ul style="list-style-type: none"> • The bill currently awaits consideration by the Assembly and Senate Judiciary Committees. <p><u>A-4440 (Houghtaling/Greenwald):</u> Establishes general immunity for entities, including non-profits and governments, and institutions of higher education, and their officers, employees, and agents, against actions relating to Coronavirus disease 2019 pandemic or related viral strain in subsequent years.</p> <ul style="list-style-type: none"> • This bill awaits consideration by the Assembly Judiciary Committee.
<p>Rent Suspension for Small Businesses</p> <p>Small businesses struggled to pay rent during the pandemic and did not have the benefit of rental assistance programs that many residents were able to take advantage of.</p>	<p><u>S-2363/A-3921 (Greenstein/Benson):</u> Authorizes the Governor to permit emergency rent suspension for certain small business tenants during COVID-19 pandemic.</p> <ul style="list-style-type: none"> • This bill passed both houses on April 13, 2020 and was vetoed by Governor Murphy on May 28, 2020. The CCSNJ encourages the legislature to override the Governor’s veto.
<p>COVID-19 Impact Study</p> <p>So the state can be better prepared in the event of another health emergency, the impact of the COVID-19 pandemic should be studied to examine what actions did and did not work.</p>	<p><u>A-4144 (Murphy/Vainieri Huttle):</u> Establishes a task force to study the impact of and response to the COVID-19 pandemic in New Jersey.</p> <ul style="list-style-type: none"> • This bill awaits consideration by the Assembly State and Local Government Committee.
<p>Cleaning Tax Deduction</p> <p>To keep employees and customers safe, businesses took on extra expense to ensure the health and safety CDC sanitation guidelines were followed.</p>	<p><u>S-3201(Oroho/Singer):</u> Provides businesses with a gross income tax or corporation business tax (CBT) deduction for qualifying cleaning expenses incurred due to COVID-19 pandemic.</p> <ul style="list-style-type: none"> • This bill awaits consideration by the Senate Budget and Appropriations Committee.
<p>Payroll Tax Credit for Essential Employers</p>	<p>Essential employers and their employees kept the state and the economy going during the height of the pandemic. Legislation should be introduced, which would provide a tax credit for future payroll expenses, or rebate from previously paid payroll credits, during the state shutdown.</p>

PREVIOUSLY SUPPORTED COVID-19 LEGISLATION

The CCSNJ is a proud member of the NJ Business Coalition, spearheaded by the New Jersey Business and Industry Association (NJBIA), and the NJ Chamber Alliance, spearheaded by the New Jersey Chamber of Commerce (NJCC). Through the CCSNJ's partnership with these groups, we have collectively worked to advocate for a safe and resilient recovery of the economy. Meeting weekly throughout the pandemic, both groups work to ensure business groups and Chambers of Commerce, both large and small, are a part of the conversation on how to safely reopen New Jersey's economy. The Coalitions have amplified the collective concerns of our members to inform policymakers as to what New Jersey businesses need to get back on track.

Through the Coalitions, the CCSNJ, along with more than 100 other business groups, have supported the following COVID-19 Relief Bills and urge the legislature to continue to move many of these measure forward in the coming weeks and months.

[S-3234/A-5149 \(Singleton/Bucco/Greenwald\)](#): Allows for a tax deduction from certain expenses when a taxpayer's federal Paycheck Protection Program (PPP) loan is forgiven and excludes those forgiven loans from the gross income tax.

- This bill passed both Houses on March 25 and awaits action by Governor Murphy.

[S-3305/A-5389 \(Smith/Oroho/Chaparro/Danielsen\)](#): Allows tax credits for non-residential building improvement expenses to reduce the spread of COVID-19.

- This bill was favorably released from the Assembly Commerce and Economic Development Committee on March 8 and awaits consideration by the Assembly Appropriations Committee.

[S-2348/A-3960 \(Sweeney/Kean/Benson\)](#): Allows tax credits based off the federal Coronavirus Aid, Relief, and Economic Security (CARES) tax credits for very small businesses retaining workers during the COVID-19 pandemic.

- This bill passed the full Senate and awaits consideration by the Assembly Budget Committee

[A-4183 \(Murphy/Lopez\)](#): Allows for a charitable deduction to certain New Jersey-based charitable organizations during the pandemic.

- This bill awaits consideration by the Assembly Appropriations Committee.

[A-4195/S-2493 \(Dunn/Pennacchio\)](#): Allows tax credits for commercial rent forgiveness.

- This bill awaits consideration by the Assembly Commerce and Economic Development Committee.

[A-4634 \(Schaer/Johnson\)](#): Allows for a corporation business tax (CBT) credit for subcontracting work to New Jersey-based small businesses.

- This bill was favorably released from the Assembly Commerce and Economic Development Meeting on March 8 and awaits consideration by the Assembly Appropriations Committee.

[A-4918 \(Greenwald/Johnson\)](#): Allows corporations to hold remote shareholder meetings.

- The bill passed the full Assembly on March 25 and awaits consideration by the Senate.

[A-5238 \(Speight\)](#): Addresses the long-term health impacts of COVID-19, which are critical to understand given new workers' compensation mandates.

- This bill awaits consideration by the Assembly Health Committee.

A-4810/S-441 (Pinkin/Vainieri Huttle/Oroho/Sarlo): Establishes the Government Efficiency and Regulatory Review Commission.

- This bill passed both Houses on February 19 and awaits action by Governor Murphy.

Assembly Majority Leader Louis D. Greenwald restaurant and small business bill package:

A-5133 (Greenwald): Establishes requirements for restaurants to operate during the public health emergency declared in response to the pandemic.

- This bill passed the full Assembly on March 25 and awaits consideration by the Senate.

A-5135 (Greenwald/Karabinchak): Establishes statewide standards for the use of heaters and tents by restaurants during the COVID-19 pandemic.

- This bill passed the full Assembly on March 25 and awaits consideration by the Senate.

A-5136 (Greenwald/Johnson): Concerns restaurant safety during the COVID-19 pandemic.

- This bill passed the full Assembly on March 25 and awaits consideration by the Senate.

A-5137 (Greenwald/Vainieri Huttle): Requires the New Jersey Division of Alcoholic Beverage Control (ABC) to waive fees for an alcoholic beverage COVID-19 Expansion Permit.

- This bill passed the full Assembly on March 25 and awaits consideration by the Senate.

A-5139 (Greenwald/Johnson): Concerns restaurant tents during the COVID-19 pandemic.

- This bill passed the full Assembly on March 25 and awaits consideration by the Senate.

AJR-199/AJR-174 (Greenwald/Johnson): Establishes the “Commission to Review Impact of COVID-19 on Small Businesses.”

- This bill was favorably released from the Assembly Commerce and Economic Development Committee on January 13 and awaits consideration by the full Assembly.



CONCLUSION

The impact of the COVID-19 pandemic will be long lasting and take time to return to normal. However, before true normalcy is the “next normal”, which is what this report looks towards and suggest ways state government, both in the Executive and Legislative branches of government, can assist business as they plan their path forward. The CCSNJ strongly recommends the following:

- Assess the current business assistance programs run by NJEDA and determine which should be reopened or expanded with federal assistance.
- Look to create new programs that could help businesses in a variety of ways, including employer assistance on interior redesigns and assistance with IT costs.
- Provide a comprehensive overview of Governor Murphy’s Executive Orders, as well as legislation passed and signed into law that ends at the conclusion of the health emergency; look to further define “health emergency” for future clarity.
- Enact certain legislative measures, including several bills that passed one House and stalled in the other
- Reconsider a geographic approach to reopening the state’s economy.
- Assure businesses, especially larger and more regulated industries, have predictable lead times to reopen safely.
- Revamp the Restart and Recovery Commissions and Councils; changing their scope of work to long term planning groups on recovery.
- Continue to prioritize equity in state government assistance programs, focusing on women and minority-owned businesses that were most impacted from the pandemic; use the state’s recovery to encourage hiring within the IDD community.
- Create a coordinated, statewide messaging campaign that builds confidence in residents as the pandemic ends; revamp the “One Jersey” pledge with a strategic rollout plan.

The CCSNJ stands ready to assist state government with the above recommendations for the betterment of the state’s business community. Thank you for your consideration of the above recommendations and suggestions.

PREPARING FOR THE NEXT NORMAL: Recommendations for Supporting New Jersey’s Business Community and Reopening the Economy

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