June 5, 2020

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Municipal Clerks: Please forward to your Mayor, Governing Body and Department Heads.

To assist in providing guidance and information we have created a COVID-19 resource page. We will continue to update the page as we get pertinent information and include announcements in our Daily Updates.

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I. NLC Offers Race, Equity, and Leadership Guidance

Clarence Anthony, CEO and Executive Director of our Federal partner the National League of Cities, sent a letter to all State municipal leagues and direct member communities offering support, encouragement and resources in dealing with chronic inequality in America.

“We have a crisis of humanity in this country, and we’re seeing this crisis reach its boiling point right now,” he wrote. “The current situation in America is not just about the murder of George Floyd at the hands of police officers. This is about communities that have been left behind for hundreds of years.

“This is about the communities that have been hit hardest by the COVID-19 pandemic. This is about a lack of hope and a lack of agency that is felt throughout the Black
community. In the words of civil rights leader Fannie Lou Hamer, ‘I am sick and tired of being sick and tired’ – that is the feeling of many African Americans in our nation. You ran for office and work in local government to make a difference in your community. Now, your residents are looking to you for answers, guidance and support. …

“In 2014, the National League of Cities created our Race, Equity, and Leadership department to strengthen local leaders' knowledge and capacity to eliminate racial disparities and divisions and to build more equitable communities. …

“Things will get better. However, it is up to us to ensure that we make it better by working together.”

NLC’s Race, Equity and Leadership resources include:

**Responding to Racial Tension in Your City: A Municipal Action Guide.** A guide that includes important contextual and tactical information to support your municipality’s efforts to respond effectively. [LEARN MORE]

**Advancing Racial Equity in Your City: A Municipal Action Guide.** Compiles six immediate steps for improving outcomes for all residents. [LEARN MORE]

**Repository of City Racial Equity Policies and Decisions.** Review examples of concrete policy and budgetary changes local elected officials have made to prioritize racial equity in their cities, towns, and villages. [LEARN MORE]

**My Brother’s Keeper Landscape.** City leaders respond the My Brother’s Keeper Community Challenge by tackling the disparities that face our nation’s boys and young men of color (BYMoC). [LEARN MORE]

**City Profiles.** Learn how 12 cities and their elected leaders around the country are advancing racial equity in their communities. [LEARN MORE]

## II. State

### a. COVID-19 Update

Yesterday, the Governor reported an additional 603 positive lab test results for COVID-19, for a statewide total of 162,530. He also reported an additional 92 deaths attributed to the virus, for a statewide total of 11,970. Of particular significance was the announcement that there are now less than 2,000 citizens hospitalized due to the virus.

26,752 state residents filed for unemployment benefits last week, with almost 1.2 million have now filed claims since March, according to federal data. The State unemployment rate is now 15.3%.

Since last Friday, the Governor signed the following Executive Orders:

**Executive Order 149.** Allowing Resumption of Child Care Services, Youth Day Camps, and Organized Sports Over the Coming Weeks.
Executive Order 150 Regarding Outdoor Dining Protocols and Process to Expand Premises for Liquor License Holders. For more on Executive Order 150, please see our Membership alert. For more information on the liquor license provision see this Membership alert.

Executive Order 151 Extending Public Health Emergency in New Jersey.

On Thursday, the League partnered with the NJ Economic Development Authority (EDA) on an important informational webinar. The EDA has received $50 million in additional funding via the federal CARES Act. The money is being used to create Phase 2 of the NJEDA’s Small Business Emergency Assistance Grant Program. The audio of the webinar is now available online as well.

See the League COVID-19 page for all our resources and communications.

In light of the current pandemic, we remind you of NJ Mental Health Cares, the state’s behavioral health information and referral service offers assistance to people dealing with anxiety and stress related to the COVID-19 outbreak. Residents can call 1-866-202-HELP (4357) for free, confidential support. NJ Mental Health Cares will be answered from 8 a.m. to 8 p.m. seven days a week by live trained specialists.

Contact: Michael F. Cerra, Assistant Executive Director, mcerra@njlm.org, 609-695-3481 x120.

b. State COVID Bond Bill Clears Assembly; Special League Committee to Review Legislation

Yesterday, the State Assembly approved A-4175, the "New Jersey COVID-19 Emergency Bond Act," by a vote of 51-28. This bill authorizes the issuance of $5 billion in State general obligation bonds to be used in response to the fiscal impact of the COVID-19 pandemic. The bill also authorizes the Governor to apply for and receive federal stimulus loans (of up to $9 billion) from the Federal Reserve’s Municipal Liquidity Facility (MLF). The MLF funding would, according to the bill, be available to address State revenue shortfalls, and to create a “COVID-19 Local Government Unit Emergency Fund,” to be administered by the Department of Community Affairs (DCA). The bill also authorizes the issuance of refunding bonds, whenever better rates and terms are available, and emergency, short-term liquidity notes, to address temporary cash flow problems. The bill now heads to the Senate, where there is no companion and its fate is uncertain.

With the COVID-19 Local Government Unit Emergency Fund, the DCA would be authorized to make loans to municipalities and counties unable to directly access the MLF or the purchase of securities issued by those local governments. Apart from the requirement that the DCA secure local government repayment obligations, the bill does not set forth the terms and conditions of providing the financial assistance.

We all know that New Jersey local governments will need support from either the Federal or State governments or the bond markets to continue to deliver vital services throughout the recovery period. And we know that the State will also need a revenue infusion from either or both of those sources to meet the needs of our citizens, and our municipalities, statewide. That includes the State’s responsibility to transmit Energy Tax Receipts
Property Tax Relief and Consolidated Municipal Property Tax Relief Assistance (ETR/CMPTRA) funding, without any cuts or any further delays.

We appreciate this effort to address the problems that the State and New Jersey municipalities are experiencing, and will continue to experience, due to the pandemic. However, respectfully, we are concerned whether this legislation provides enough flexibility to municipalities looking to try steering their own courses through the current crisis.

League President Jim Perry has appointed a Special Committee of Mayors and a small group of experts from across the state to analyze the legislation and provide guidance to the League and its membership. We will advise you of its findings.

With or without this legislation, we will continue to urge Senate action on A-3971/S-2475. These companion bills would amend current law to allow counties and municipalities to borrow monies (through the issuance of bonds and notes) to cover the revenue shortfalls and additional costs that are directly attributable to the COVID-19 pandemic. Local units of government have significant fixed statutory expenses and provide essential services. The cost of providing many essential services is likely to increase as a result of the COVID-19 pandemic at the same time revenues collections will most likely be decreasing due to the pandemic and aftermath.

Current law does not permit local bonding to cover revenue losses. Pursuant to A-3971/S-2475, a local unit that requires moneys because of a loss of revenue, unanticipated expenses, or both, which are directly attributable to the COVID-19 pandemic, may incur indebtedness, borrow money, and authorize and issue “coronavirus relief bonds.” Coronavirus relief bonds would be payable from, and secured by a pledge of ad valorem taxes levied upon all the taxable property within the local unit without limitation as to rate or amount.

These provisions would allow municipalities with a better bond rating than the State to possibly secure funding at a lower rate and better terms than would be available through the State pass-through of Federal Reserve’s MLF lending process in A-4175. That would not only help taxpayers in those municipalities. A-3971, sponsored by Assemblyman Benson, Speaker Coughlin, and others, has already passed the Assembly. It awaits action in the Senate Community and Urban Affairs Committee, where it has joined its companion bill, S-2475, which is sponsored by Senators Singleton and Gopal.

You can download a sample letter and resolution in support of A3971 and S2475 on the League’s webpage. Please urge your State Senator to support A-3971/S-2475.

Contacts:
- Jon Moran, Senior Legislative Analyst, jmoran@njlm.org, 609-695-3481 x121.
- Lori Buckelew, Senior Legislative Analyst, lbuckelew@njlm.org, 609-695-3481 x112.

c. DEP Adopts Clean Drinking Water Rules

On Monday, the Department of Environmental Protection adopted rules requiring all operators of public water systems to begin testing for PFOA and PFOS chemicals. Under the new rules, drinking water and groundwater in New Jersey can have a maximum contaminant level of 14 parts per trillion for PFOA and 13 parts per trillion for PFOS. The
standards are far more stringent than the Federal guidelines which allow 70 parts per trillion for both PFOA and PFOS, and are some of the most stringent in the country.

PFOA and PFOS are two chemicals that are known as “forever chemicals” because they are difficult to break down, and have been linked to cancer and other ailments.

The new rules require all public water operators to begin monitoring for the chemicals to ensure they meet the new standards in the first quarter of 2021. If the water exceeds the new standards, utility operators must install treatment systems or take other measures to ensure the water quality meets the guidelines.

You should review these new rules with your municipal utility authorities to ensure compliance and for further information.

**Contact:** Frank Marshall, Esq., Associate General Counsel, fmarshall@njlm.org, 609-695-3481 x137.

d. Adjustments to Public Bidding Thresholds

Effective July 1, 2020 the Local Public Contracts Law bid threshold increases for municipalities with Qualified Purchasing Agents to $44,000 from $40,000. If the municipality does not have a Qualified Purchasing Agent the bid threshold remains at $17,500. As a reminder, the governing body may establish a lower bid threshold by resolution or ordinance as appropriate.

**Contact:** Lori Buckelew, Senior Legislative Analyst, lbuckelew@njlm.org, 609-695-3481 x112.

III. Federal

a. Congress Looks to INVEST in America’s Infrastructure

We have received a summary of a soon-to-be-introduced bill – the Investing in a New Vision for the Environment and Surface Transportation (INVEST) in America Act. Among other provisions, the bill would dedicate $19 billion, over five years, in Local Aid. And, it would enact reforms to enhance State-Local coordination in order to ‘improve the flow of funds’ to local units of all sizes. Also included in the proposal is $250 million for complete streets.

The total package would authorize $1.5 trillion over five years – an average of $300 billion a year, with some of the funding front-loaded in the Federal government’s upcoming (FY 2021) Fiscal Year. That would make available to states, municipalities, tribal governments, U.S. territories, and transit agencies $83.1 billion in FY ’21 for COVID Response and Recovery. An additional $22 billion would be made available, beginning on October 1, in capital support to compensate for lost revenues.

For further information on the proposal see our [INVEST in America Town Crier blogpost](#).

Please contact your Congress Member and Senators Menendez and Booker in support of a strong investment in your local infrastructure.
**IV. Annual League Conference**

**a. Unauthorized Hotel Reservation Services**

Every year there are unauthorized firms soliciting housing and hotel reservations from attendees at the Annual League Conference. We assure you that the only firm authorized to handle our conference housing reservations is AC Central Reservations. This information is on the top of the official conference housing form sent to all municipal clerks and posted on [our website](http://www.njlm.org).

Using unauthorized reservation services creates real problems for you and the conference as a whole. You cannot be assured your credit card information is secure and your room reservation may not actually be made. Using unauthorized services means your room will not be part of the official conference housing block so you won’t get emergency housing information (which happened in both 2011 and 2012), nor will there be adequate shuttle bus services to your hotel.

As always, the League is available to answer your questions on any aspect of the annual conference and we strive to make your participation both enjoyable and highly productive.

**Contact:** Michael J. Darcy, CAE, Executive Director, 609-695-3481, x116, or mdarcy@njlm.org.

**V. Also of Interest**

**a. Earn CEUs at Home with the Online Mini Conference**

The Online Mini Conference

**June 10, 11, 12, 2020**

Location: Your Computer

The NJLM Online Mini Conference is now open for registration. The Conference will take place over June 10, 11, and 12, 2020 and offer 12 different webinars for attendees to join for one low price. CEUs are available for Finance Officers, Tax Collectors, Public Works, Municipal Clerks, Accountants, Recycling Professionals, and New Jersey Attorneys. Some attendees can earn up to 16.5 CEUs in three days!

Cost for Members is $115 per person and $130 for nonmembers.

For a schedule of webinars and the registration form please visit the [Mini Conference website](http://www.njlm.org).

If you have any questions please contact Danielle Holland-Htut at 609-695-3481 ext 118 or dholland@njlm.org.