June 12, 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.

I. League Officers Statement on Race Equity and Leadership

There is no way that any of us could have predicted the impact of COVID-19 on our hometowns, our state, our nation, and our world. And with the brutal death of George Floyd and the protests that have followed, there is no way that any of us can ignore the need to work to address the racial inequities that have plagued our America since even before its founding.

Read the Officers’ full June 8 statement.

II. State
a. COVID-19 Update

Yesterday marked the 100th day since the first identified case of COVID-19 in New Jersey. Since that day, there have been 165,816 lab-confirmed cases of the virus in New Jersey, and 12,443 confirmed deaths. On that 100th day, Governor Murphy reported 539 new confirmed positive cases and 70 deaths.

Meanwhile, the ROT (rate of transmission) is .62, one of the lowest in the nation. Since the state hit its peak in mid-April, new hospitalizations are down more than 90% and total hospitalizations are down 80%; the ventilator use is also down 80%.

Nationally, an additional 1.5 million filed new unemployment claims; and since March over 44 million have sought benefits across the country. In New Jersey, 23,166 filed for UI benefits last week. While still, a significant amount has filed for those benefits, it was the fifth consecutive week that the number had decreased. Since the start of the pandemic, over 1.2 million of our fellow residents have filed for unemployment.

The State is now entering “Stage 2” and the Governor lifted the stay at home Order this past week and took the following actions:

Executive Order 152 Executive Order Raising Limits on Indoor and Outdoor Gatherings. For more on EO 152, please see the League’s Town Crier blog post of June 11.

Executive Order 153 Executive Order Opening Pools Effective June 22, and Opening Additional Outdoor Recreational Businesses. For more on EO 153, please see the League’s Town Crier blog post of June 12.

In addition, Executive Order 150 permitting outdoor dining and in-person non-essential retail is effective Monday, June 15 at 6:00 a.m. For more, please see the League’s June 4 correspondence.

We also call your attention to the new permitting process through the Division of Alcohol Beverage Control (ABC.) For more, please see this League correspondence from June 4.

Considering the current pandemic, we remind you of NJ Mental Health Cares; the state’s behavioral health information and referral service offer 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.

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

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

b. Update State Bonding Proposal and Local COVID Bond Legislation: Please Take Action

Last week, 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
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,’ 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 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, in order 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 to steer 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.

Please join the many Mayors and local elected officials who have expressed their support for A3971/S2425.

You can also 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. Supreme Court Issues Post-Pandemic Plan for Returning to In-Person Court Proceedings

The New Jersey Supreme Court has approved the first part of the New Jersey Courts Post-Pandemic Plan for transitioning from fully remote court operations (Phase 1) to the gradual return to courthouses and facilities (Phase 2). NJ courts will begin the incremental implementation of Phase 2 starting Monday, June 22, 2020.

In Phase 2, most municipal court proceedings will continue to be handled remotely. However, as the state continues to recover from COVID-19, some municipal court matters may, consistent with additional Supreme Court guidance, be handled in person. In person proceedings would of course be subject to social distancing and other requirements, and would be limited to certain matters that do not lend themselves well to remote hearings.

You will want to review the Supreme Court’s Post-Pandemic Plan in its entirety with your court administrator for more information and specifics. Additional guidance is anticipated as courts begin to progress through the four phases of the Plan.

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

III. Federal

a. Senator Menendez, Mayor Passanante Join Colleagues on National Briefing

Our partners in Washington, the National League of Cities (NLC) hosted a ‘Protecting and Growing America’s Economic Recovery’ virtual Hill briefing. This is a part of NLC’s ‘Cities Are Essential’ campaign, which looks to convince Congress that a swift and certain recovery will only be possible if municipalities – no matter their size – get the support they need from the Federal government.

We want to thank Senator Bob Menendez for participating in the briefing, and for all he is
doing to advance the SMART bill – a strong, bipartisan effort to advance state and local aid. We also want to thank NLC for inviting League Board Member and Somerdale Mayor Gary Passanante to ask Senator Menendez some of the questions that are on the minds of local officials all around New Jersey, and across the Nation. And we want to thank Mayor Passanante for representing his colleagues on this webinar.

“Somerdale is a small borough of about 5,500 people… Somerdale knows what it means to overcome adversity,” Mayor Passanante said. “But in my over 24 years as mayor, we have never faced the public health, the public safety, the impact on local businesses, the community social stress, and the local finance issues that we are facing this year, and that we expect to be facing, on into next year.”

“This isn’t a blue state, red state issue,” Senator Menendez affirmed. “We are part of the United States… And after COVID-19, if we do the right things, like give aid to states and municipalities, we can ultimately be more resilient and more prepared for whatever the next health challenge might come our way.”

You can access a recording of the NLC June 11 Economic Recovery Virtual Hill Briefing on the NLC website. The link will take you to a registration page, where you will be asked to enter your name and e-dress, then take you to the video.

Irma Esparza Diggs, NLC’s Senior Executive and Director of Federal Advocacy, presented the statistics that clearly prove the crucial need for Federal Action. You can view that slide deck here.

As communities seek to stabilize local government operations, keep workers on the job, and maintain essential services to grow the economy, the key feature of the conversation was the local-federal partnership needed for the national economic recovery.

Senator Menendez continues his work to build on the bipartisan coalition that has joined him in sponsoring the SMART bill, which creates a $500 billion fund to help states and all local governments respond to the current public health and economic crisis, while maintaining essential services. The bill would also increase flexibility for states and local governments to use the funds to address the lost revenue impacts of the COVID-19 outbreak. For more detail about the SMART bill see our May 18 advisory.

Again, our thanks to Senator Menendez, and to Senator Booker, who cosponsors the SMART bill. Thanks to Mayor Passanante for his strong advocacy. Thanks to NLC for all their efforts on behalf of all American municipalities – no matter their size. And our thanks to those of you who reached out to our U.S. Senators and your Members of the House, urging them to appreciate all you are doing, and the impact of the virus on your budgets.

Don’t stop now!

Contact: Jon Moran, Senior Legislative Analyst, imoran@njlm.org, 609-695-3481 x121.

b. FCC Approves Order to Streamline Deployment of 5G Equipment onto Macro Towers

Earlier this week the Federal Communication Commission’s (FCC), in a 3-2 vote, adopted a Declaratory Ruling clarifying the FCC’s 2014 rules regarding the so-called “streamlined
review” of deployment of 5G wireless equipment onto existing macro towers and base stations. Under the Spectrum Act of 2012, local governments were required to streamline review of certain requests to modify wireless transmission equipment on existing structures – with a 60-day shot clock for local review.

The Declaratory Ruling adopted by the FCC this week attempts to clarify the current rules with regard to when the 60-day shot clock for local review begins. The ruling also clarifies how certain aspects of proposed modifications – height increases, equipment cabinet additions, and impact on concealment elements and aesthetic conditions – affect eligibility for streamlined review. In addition, the action clarifies that, under the FCC’s rules on environmental and historic preservation review, FCC applicants do not need to submit environmental assessments based only on potential impacts to historic properties when parties have entered into a memorandum of agreement to mitigate effects on those properties.

The Declaratory Ruling became effective June 10, 2020.

At this same meeting, the FCC also adopted a Notice of Proposed Rulemaking (NPR) that seeks comment on proposed rule changes regarding excavation or deployment outside the boundaries of an existing tower site and the effects of such activities on eligibility for streamlined review. The League is working with our partners at the National League of Cities to review the NPR, and anticipate submitting comments in opposition to the rule proposal.

Please review this information with your municipal and land use attorney for more information on how the FCC’s actions could impact your community. If you submit comments to the FCC please send us a copy.

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

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.

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. Update on League Transition

With Michael Darcy’s retirement effective at the end of the month, the League has finalized its Executive leadership team. Please see this update for more information.