October 9, 2020

I. State
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IV. Also of Interest

**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. State

a. COVID-19 Update

Today Governor Murphy announced that there were 881 new positive cases and an additional 6 confirmed deaths resulting from COVID-19. To date, there have been 212,013 confirmed cases, and 14,376 confirmed deaths. The rate of transmission is at 1.19.

Since our last update, Governor Murphy has not issued any COVID-19 related executive orders.

On Monday, the Governor announced that locations providing remote-learning supervision services during the school day must be licensed as childcare centers. These include, for example, dance studios, martial arts studios, and churches. Emergency regulations from the Department of Children and Families (DCF) allow these centers to undergo an expedited licensure process. For more please see our recent [blog post](#).

Also, on Monday, the Governor announced that Halloween activities can go forward with
local guidance provided by the New Jersey Department of Health (DOH) to local officials, schools, outside organizations, and businesses. Please see our recent blog post for more information on the Halloween guidance.

On Tuesday, the Governor added New Mexico to the list of state and territories subject to the Travel quarantine and advisory list. There are currently 35 states and territories subject to the Travel quarantine advisory.

For the week ending October 3, the New Jersey Department of Labor (DOL) received 23,607 new unemployment applications. The Labor Department announced it has begun approving FEMA Lost Wage Assistance benefits for people who were unemployed between August 1 - September 5.

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

b. CARES Relief Funding for Municipalities

At a press conference earlier today, Governor Murphy announced the distribution of $60 million in CARES emergency relief funding directly to the 12 counties and the municipalities within who did not qualify under the first round of CARES funding distribution. These counties are Atlantic, Burlington, Cape May, Cumberland, Gloucester, Hunterdon, Monmouth, Morris, Salem, Somerset, Sussex and Warren. Just over $20 million will be distributed to those 12 county governments and just under $40 million will be distributed directly to municipalities.

The allocation is based on a formula developed by the Department of Community Affairs based on a number of factors, such as infection rates, fiscal stress and the service expenditures for the governments. These funds cannot be used as replacement revenue but to cover eligible expenditures between March 1 and the end of the calendar year.

Additional information will be forthcoming on the guidelines for application and use, as well as a breakdown based on the local jurisdictions.

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

c. Hospital Property Tax Subsidy Bills Held From Committee Hearing

Last week, we alerted you to three bills that had been scheduled for consideration yesterday at the Senate Health, Human Services and Senior Citizens Committee: A-1135/S-357 and S-624. These bills would seek to extend property tax exemption to hospitals organized as a non-profit entity and instead require them to pay a “community service contribution fee.” The League has been in strong opposition to these bills and prior versions of the legislation.

Fortunately, these bills were held from the committee agenda and were not considered. This is important because it signals that the sponsors and other legislators may share some of the League’s concerns but, this does not mean that our advocacy is over. In fact, S-357 has been transferred to the Senate Budget and Appropriations Committee, which is expected to meet within the next two weeks. And, the full Assembly has already voted to approve A-1135.

The League will be reaching out to these bills’ sponsors and to other legislators to convey
our concerns, and we urge our members to continue to do the same. We thank all of our members who have been active in efforts to ensure the concerns of local governments are heard.

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

d. Administration Still Working on New Local Emergency Funding Program

As reported last week, the League’s Officers have contacted officials in the Governor’s Office, seeking information, and encouraging timely action on the proposed $120 million Local Government Emergency Fund (LGEF). That fund will represent a share of the State’s direct Coronavirus Relief Fund allocation, which was provided through the Federal CARES Act Coronavirus relief bill. This program is intended to defray eligible municipal public safety and public health expenses incurred by towns in the 12 counties that did not receive direct federal funding through the CARES Act’s Coronavirus Relief Fund (CRF). This fund is also meant to support municipal investments in emergency dispatch and public health resilience.

Since then, the Department of Community Affairs has provided LGEF information to the Office of Legislative Services as follows:

The Administration is developing an application for the Local Government Emergency Fund that will comply with the dynamic U.S. Treasury guidance and allow eligible applicants to benefit before the December 30 deadline. CRF allocations are subject to future statutes that modify the federal CARES Act, new federal appropriations, confirmation of actual expenditures incurred, the identification of additional unmet COVID-19 needs, and new guidance from the U.S. Treasury.

According to the latest U.S. Treasury guidance, these funds could not be used to cover revenue losses, but only for increased spending caused directly by the pandemic.

We will continue to encourage action on the LGEF, and we will keep you posted.

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

e. CY 2021 Municipal Budget Cap Information

The Division of Local Government Services (DLGS) has issued Local Finance Notice 2020-23 regarding the CY 2020 Municipal and County Budget and Cap Information.

There are two caps that limit local budgets. One is the 1977 budget cap law, which caps appropriations increases, and the other is the 2010 levy cap law, which caps levy increases. The 1977 budget cap law requires the DLGS to promulgate the Cost of Living Adjustment (COLA). The COLA for the CY 2021 budget is 1.0%. The governing body may pass a COLA ordinance, increasing the appropriation cap base to 3.5%. Cap bank balances from 2019 and 2020 are available for use in 2021.

In addition, both the 1977 and 2010 cap laws include a cap exception for Group Health Insurance. The State Health Benefits increase for CY 2021 is 2.8%. Therefore the CY
2021 Group Health Insurance exemption under the 1977 cap is 0 and under the 2010 levy cap is 0.8%.

Contact: Lori Buckelew, Assistant Executive Director, lbuckelew@njlm.org, 609-695-3481 x112.

f. Election Question: Voters Will Choose to Extend Property Tax Relief for Veterans

This election, voters will have the chance to decide whether New Jersey military veterans will receive property-tax relief via one of this year’s public questions. State Public Question #2 seeks to amend New Jersey’s Constitution to provide property tax breaks to military veterans and their spouses. Our blog post outlines all the details that you need to know.

Contact: Andrew LaFevre, Legislative Analyst, alafevre@njlm.org, 609-695-3481 x116.

g. Election Question: Changing Legislative Redistricting Schedule if Census Data is Delayed

Included on this year’s general election ballot is State Public Question #3 which asks New Jersey voters to amend the State constitution to change the legislative redistricting schedule if census data is delayed.

If New Jersey does not receive data from the U.S. Census Bureau by February 1, 2021, new legislative districts may not be ready in time for State legislative elections in 2021. If approved, the commission will adopt the new districts after the November general election, but no later than March 1, 2022. The new districts will be used starting with legislative elections in 2023 and will continue to be used until new districts are again created by the Apportionment Commission after the next federal census.

For more information on the public question please see the League’s recent blog post.

Contact: Paul Penna, Legislative Analyst, ppenna@njlm.org, 609-695-3481 x110.

h. Assembly Committee Approves Bill Mandating Additional Municipal Master Plan Element

The Assembly Environment and Solid Waste Committee, yesterday, approved legislation, which the League opposes; A-2785/S-2607. These bills would require the land use plan element of a municipal master plan to include a climate change-related hazard vulnerability assessment. Aware of the potential hazards facing our communities due to climate change, the League is supportive of the intent. However, we have concerns that the mandatory aspects of this bill, without the proper offsetting appropriation to account for the additional municipal cost, make this new requirement an unfunded mandate.

S-2607 has already passed the full Senate by a vote of 28-11. The Assembly version is now likely to be put to a vote before the full Assembly on October 29, the next scheduled voting session. The League continues to advocate for municipal interests and will keep our members updated on this legislation as it continues through the process.

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

a. Municipalities Are Essential, But Help is Needed

This week in Washington, President Trump called for an immediate end to the recently restarted negotiations on a badly needed new Coronavirus relief measure. He directed his team to break off talks with Congress until after the elections. However, it has just been reported that the President has signed off on a $1.8 trillion offer to Congressional Democrats, who had previously offered a $2.2 trillion plan to Administration negotiators. No details on the President’s new position are available at this time.

All New Jersey’s federal delegation members have either sponsored or cosponsored legislation to address the public health and economic impact of the pandemic. All of those bills include aid to municipalities, regardless of size. When given a chance, most of New Jersey’s members of the House of Representatives have voted in favor of relief bills, which included municipal assistance that would have helped all New Jersey municipalities. For that, we are grateful.

While the odds against action are still formidable, the League and our federal partners at the National League of Cities (NLC) believe that we cannot afford to abandon the fight. NLC is asking local officials across the country to again contact their federal representatives and call for action. We echo that request. Congress should heed the overwhelming consensus of national economists who are urging federal aid for states and localities to help maintain municipal operations, keep workers on the job, expedite the reopening of America’s main streets and small businesses, and jumpstart the national economic recovery.

In addition to thanking your representative for their support to date, please remind them of these four principles:

1. **Aid should be fair and appropriate funding for each and every local government, with no minimum population threshold for eligibility.** Residents should not tolerate a preventable decline in local government operations as a result of being excluded from emergency federal aid.

2. **Aid should be directly allocated through familiar and proven government revenue sharing programs.** Relying on a Community Development Block Grant (CDBG) framework would eliminate the time-consuming need to stand up a completely new administrative or regulatory framework, as was required by the Coronavirus Relief Fund (CRF). CDBG is also the most familiar revenue sharing mechanism for states and localities operating at reduced capacities due to staff furloughs and layoffs.

3. **Entanglement of state and local funding should be minimized.** Unclear legislation and regulations burdened the CARES Act CRF from the start, resulting in confusion, delays, and infighting among primary and secondary grant recipients. Federal aid for states and localities should be allocated from three clearly set-aside funds for state government, municipal government, and county government. Overall federal aid for municipal governments and county governments should be provided at equal levels.
4. Eligible expenditures should be targeted to the widespread health and economic consequences of COVID-19, including unavoidable revenue shortfalls resulting from federal, state, and local measures to contain the spread of coronavirus.

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

III. 2020 Annual League Conference

a. Register for the 105th Annual NJLM Conference, Presented Virtually

Join thousands of your peers in local government this November at the 105th Annual Conference presented virtually - no need to travel. The League is here to help our members navigate through the pandemic & plan for recovery. Earn CEUs at live sessions, and watch recorded sessions on-demand for up to one year. Learn about new vendor solutions and network with peers from the convenience of your home town.

A preliminary schedule is now online and in 2020 the printed Conference Program with sessions and exhibitors will be online, on the Conference platform, and included as an insert in the November issue of NJ Municipalities magazine.

Register now before October 16 for the discounted rate and join your peers this November.

Benefits of Attending the 2020 NJLM Virtual Conference

- Over 75 sessions
- Earn CEUs
- Networking chat rooms
  Learn about vendor solutions by visiting the virtual exhibit hall
- Discuss products with exhibitors in live chats
- No need to travel
- Save on hotel costs

Join us online this November. Register before October 16 to take advantage of the discounted early registration price.

IV. Also of Interest

a. FEMA Grant Application Process Opens for Flood Mitigation Assistance and Building Resilient Infrastructure and Communities Programs

FEMA has opened the application process for the Flood Mitigation Assistance grant and the Building Resilient Infrastructure and Communities (BRIC) grant. The application process closes for both programs January 21, 2021.

These grants are used for projects that reduce or eliminate the risk of repetitive flood
damage to buildings that are insured by the National Flood Insurance Program. Projects are selected based on the cost-effectiveness and eligibility of the proposal.

The new BRIC grant is for pre-disaster mitigation activities and replaces FEMA's existing Pre-Disaster Mitigation program. BRIC will offer $500 million in grants nationally for states and communities throughout the nation to design and begin new infrastructure projects that will reduce future disaster recovery costs. The program will also provide incentives to local governments to adopt and enforce modern building codes.

FEMA is also opening the application period for the Flood Mitigation Assistance grants. There is $160 million available in flood mitigation grants, with $70 million of that amount set aside for community flood mitigation projects.

Applications for both programs must apply for funding using the new FEMA Grants Outcome (FEMA GO). Please direct questions to the FEMA Office of External Affairs Office of Intergovernmental Affairs at 202-646-3444 or at FEMA-IGA@fema.dhs.gov.

Contact: Paul Penna, Legislative Analyst, ppenna@njlm.org, 609-695-3481 x110.

b. The League is Accepting Applications for the Innovation in Governance Program!

The New Jersey Department of Community Affairs (DCA) and the New Jersey League of Municipalities (NJLM) will again acknowledge and promote Innovation in Governance through our annual recognition program. This is a great opportunity to showcase innovative solutions to any problems that have cropped up – either suddenly or over time – in your municipality. It can also be an opportunity to let your peers in on innovations that prevented problems from even arising. The deadline is extended to Friday, October 30, 2020, and is fast approaching!

Visit our awards page to see previous years of impressive ideas created by our winning municipalities as well as the full invitation and application to this year’s program.

Contact: Ciara Bradley, Legislative Administrator, CBradley@njlm.org, 609-695-3481, x128.