



www.njbia.org/recovery

Date: April 16, 2020

Governor Phil Murphy
Office of Governor
PO Box 001
Trenton, NJ 08625

Senate President Steve Sweeney
935 Kings Highway
Suite 400
West Deptford, NJ 08086

Assembly Speaker Craig Coughlin
569 Rahway Ave.
Woodbridge, NJ 07095

Tim Sullivan
CEO
New Jersey Economic Development Authority
PO Box 990
Trenton, NJ 08625-0990

Dear Governor Murphy, Senate President Sweeney, Speaker Coughlin and CEO Sullivan,

As the leaders of New Jersey's major business organizations who collectively provide millions of jobs in the State, we want to say thank you for your quick roll-out of COVID-19 relief for New Jersey's small businesses.

We all know that we cannot overcome the economic crisis without overcoming the health crisis. We also know that the economic shock is unprecedented with nonessential businesses closed, resulting in more than 700,000 workers left without jobs and over 34,000 grant applications filed and \$205 million dollars in loan requests with the NJEDA. Further, we know that it is critical that our businesses who have been able to hang on during this unprecedented time, receive needed funding as soon as possible, in order for them to continue to hang on.

To that end, we are requesting your consideration to use some of New Jersey's expected share of Federal CARES Act funding, \$3.44 billion including the county allotment, to immediately expand the programs that you launched via a direct appropriation of funds to the NJEDA. This

infusion of funds will keep operational businesses running and best position New Jersey and our economy for a quicker recovery.

We truly appreciate the work done thus far by the NJEDA to get money flowing to our NJ businesses and nonprofits through the already overly subscribed grant and loan programs. However, in what we hope will be a round 2 of NJEDA programs, these programs need to be broadened so that more businesses can access them. We are seeing in real time the challenges of the federal SBA programs and fear many of our New Jersey businesses will be left without access to the Paycheck Protection Program (PPP).

To address these gaps, we are asking that the State direct a share of the discretionary funds coming to our State through the CARES Act to be used in part to expand NJEDA's grant and loan offerings. In this anticipated round 2 of NJEDA programs made possible through Federal funding, we recommend the following:

- Eliminating the NAICS codes requirements and instead focus grants and loans on any business that experienced a significant reduction in its revenues due to COVID-19 and the state response
 - This would be especially helpful to nonprofit employers who do not typically operate businesses in the six NAICS codes covered in the first round of programs.
- Increasing the size of employers able to apply for the grant and loan programs
 - While we appreciate the focus on our smallest businesses in the first round, limiting the program to 10 employees or less for the grant program and less than \$5 million in annual revenues for the loan program is too restrictive, and we suggest that the pool be expanded to be in alignment with the definitions of small business used in the SBA programs.
- Ensuring that critical businesses such as nonprofits and manufacturers are included in NJEDA's grant programs
 - We should consider the types of businesses that are instrumental in either responding to the COVID-19 stresses on our society and those who will be instrumental in restoring New Jersey's economy.

Expanding the NJEDA programs will position more New Jersey companies for a more rapid recovery, which in turn will mean our New Jersey economy will experience a more rapid recovery, which in turn helps every resident of our great state.

Thank you for your support of New Jersey's business and nonprofit communities. Please reach out to Chrissy Buteas, Chief Government Affairs Officer, NJBIA, at cbuteas@njbia.org with any questions.

Sincerely,

African American Chamber of Commerce of New Jersey, Inc.
BioNJ
Cape May County Chamber of Commerce
Capital Region Minority Chamber of Commerce
Center for Non-Profits
Chamber of Commerce Southern New Jersey
Chemistry Council of New Jersey
Commerce and Industry Association of New Jersey
CrossState Credit Union Association
Early Childhood Education Advocates
Employers Association of NJ
Fuel Merchants Association of NJ
Garden State Pharmacy Owners, Inc.
Greater Atlantic City Chamber of Commerce
Greater Toms River Chamber of Commerce
Health Care Association of NJ
Healthcare Institute of NJ
Home Care & Hospice Association of New Jersey
Hunterdon County Chamber of Commerce
Insurance Council of New Jersey
Marine Trades Association of New Jersey
Monmouth-Ocean Development Council
NAIOP - NJ
Newark Regional Business Partnership
New Jersey Apartment Association
New Jersey Bankers Association
New Jersey Builders Association
New Jersey Business & Industry Association
New Jersey Campground Owners and Outdoor Lodging Association
New Jersey Child Care Association
New Jersey Civil Justice Institute
New Jersey Dental Association
New Jersey Hotel and Lodging Industry Association
New Jersey Food Council
New Jersey Gasoline-Convenience-Automotive Association
New Jersey Association of Mental Health and Addiction Agencies
New Jersey Association of Osteopathic Physicians and Surgeons
New Jersey Independent Electrical Contractors Association
New Jersey LGBT Chamber of Commerce

New Jersey Manufacturing Extension Program, Inc.
New Jersey Motor Truck Association
New Jersey Pharmacists Association
New Jersey Podiatric Medical Society
NJ Restaurant & Hospitality Association
New Jersey Realtors
New Jersey Retail Merchants Association
New Jersey Society of Certified Public Accountants
New Jersey State Funeral Directors Association
New Jersey Tech Council
New Jersey Tourism Industry Association
New Jersey Utilities Association
NJ State Veterans Chamber of Commerce
NFIB
New York Shipping Association, Inc.
Professional Insurance Agents of New Jersey
Salem County Chamber of Commerce
Somerset County Business Partnership
Southern Ocean County Chamber of Commerce
Union Township Chamber of Commerce
United Way of Northern New Jersey

cc: New Jersey Legislature