

SENATE, No. 2704

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JULY 16, 2020

Sponsored by:

Senator STEPHEN M. SWEENEY
District 3 (Cumberland, Gloucester and Salem)
Senator VIN GOPAL
District 11 (Monmouth)
Senator ANTHONY M. BUCCO
District 25 (Morris and Somerset)
Senator NILSA I. CRUZ-PEREZ
District 5 (Camden and Gloucester)
Assemblyman JON M. BRAMNICK
District 21 (Morris, Somerset and Union)
Assemblyman JOHN J. BURZICHELLI
District 3 (Cumberland, Gloucester and Salem)
Assemblywoman BETTYLOU DECROCE
District 26 (Essex, Morris and Passaic)

Co-Sponsored by:

Senators Bateman, Thompson, O'Scanlon, Addiego, Singleton, Testa, Holzappel, Oroho, Pou, Brown, Greenstein, Ruiz, Turner, Assemblymen Wirths, DePhillips, Assemblywoman Schepisi, Assemblymen DiMaio, Bergen, Giblin, Mazzeo, Armato, McGuckin, Catalano, Verrelli, Assemblywoman Dunn, Assemblymen Johnson, Scharfenberger, Assemblywoman Lampitt, Assemblyman Mejia, Assemblywomen DiMaso, Swain, Assemblyman Tully, Assemblywomen Downey, Jimenez, Murphy, Assemblymen Rooney and Chiaravalloti

SYNOPSIS

Appropriates \$30 million to EDA from federal "Coronavirus Relief Fund" to assist food establishments impacted by Executive Order No. 158.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 8/27/2020)

1 AN ACT allocating federal funding to assist food establishments and
2 making an appropriation.

3

4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6

7 1. a. There is appropriated from the General Fund to the New
8 Jersey Economic Development Authority the sum of \$30 million
9 from a portion of those federal block grant funds allocated to the
10 State from the federal “Coronavirus Relief Fund,” established
11 pursuant to the federal “Coronavirus Aid, Relief, and Economic
12 Security Act,” Pub.L.116-136, for use by the authority to provide
13 financial support, by way of loans or grants, to food establishments
14 for the costs associated with business operation interruptions caused
15 by Executive Order No. 158.

16 b. The authority shall adopt rules and regulations pursuant to the
17 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
18 seq.), to effectuate the purposes of this act.

19

20 2. This act shall take effect immediately.

21

22

23

STATEMENT

24

25 This bill appropriates \$30 million to the New Jersey Economic
26 Development Authority from a portion of those federal block grant
27 funds allocated to the State from the federal “Coronavirus Relief
28 Fund,” established pursuant to the federal “Coronavirus Aid, Relief,
29 and Economic Security (CARES) Act,” Pub.L.116-136, for use by
30 the EDA to provide financial support, by way of loans or grants, to
31 food establishments for costs associated with business operation
32 interruptions caused by Executive Order No. 158.

33 Over the past four months, the State has been confronting the viral
34 disease known as coronavirus 2019 disease (COVID-19), which has
35 necessitated certain emergency measures to curtail its spread. As part
36 of these measures, on March 21, 2020, the Governor signed
37 Executive Order No. 107, which directed all residents to stay at home
38 until further notice and closed all non-essential businesses to the
39 public. This order affected thousands of businesses and especially
40 food establishments, some of whom shuttered their doors
41 permanently. In the months following this order, subsequent orders
42 have been signed lifting these restrictions as cases of COVID-19 have
43 fallen, and since June 15, 2020, food establishments have been able
44 to offer outdoor dining service, which has helped recoup some of
45 their losses.

46 In light of this progress, on June 26, 2020, the Governor, as part
47 of his administration’s reopening plan, signed Executive Order No.
48 157, which allowed food establishments to offer indoor dining

1 service, with limitations. This order, originally scheduled to go into
2 effect on July 2, was a source of added relief for food establishments
3 who were struggling financially, even after the reopening of outdoor
4 dining. Yet, with hospitalizations for COVID-19 having fallen 90
5 percent since April, and with the State on track to contain the disease,
6 the Governor reversed his decision to reopen indoor dining, citing a
7 rise in COVID-19 cases in other states. This decision, formalized
8 under Executive Order No. 158, severely affected food
9 establishments who hired additional staff and equipment in
10 anticipation of reopening, and may lead some establishments to close
11 permanently.

12 Under this bill, \$30 million will be allocated to the EDA from the
13 “Coronavirus Relief Fund” in order to financially support food
14 establishments impacted by Executive Order No. 158. By providing
15 this support, an important part of our State’s economy and culture
16 will be protected.