March 15, 2021

#### Dear Mayor:

I have spoken with many of you over the last few days about the recently-enacted COVID-19 emergency relief package (called the "American Rescue Plan") and the direct resources and other provisions that will be beneficial to our towns and for our shared constituents. The legislation was a win for our communities, for our families, for our small businesses, for our schools, and, most importantly, for our health. It will help us get to the other side of this pandemic, and it all adds up to a significant tax cut for hard-working families in Northern New Jersey.

A year ago, we were in the eye of the COVID-19 storm. Today, the counties that make up the Fifth District have had 160,719 total COVID-19 cases, and we've lost 4,907 souls including too many loved ones, neighbors, co-workers, and friends. Our small businesses, particularly our restaurants, have been devastated. Nearly a third of them have shuttered their doors. Schools have opened and closed repeatedly, impacting our children.

This new COVID-19 relief package, like its four bipartisan predecessors, brings <u>critical help to Northern New Jersey</u> — including <u>every single county and every single town in the Fifth District</u>. In the end, we are expecting to <u>claw more than \$476 million back to the Fifth District</u>, not including the direct relief to families, schools, food pantries, and businesses. Specifically, Bergen County is expected to claw back \$259.73 million, Sussex \$27.25 million, Warren \$20.42 million, and Passaic \$97.33 million.

These resources will help get vaccines into more arms, help businesses keep their doors open and pay their workers, build critical infrastructure projects (including broadband, sewer, and water), bring critical dollars to our schools, and support those who have lost their jobs, or need help with child care to return to work. The package will also inject essential and immediate dollars into our communities to help pay for law enforcement, firefighters, and EMTs, and it will help lower health care premiums for many families.

• **Direct Dollars to Every Town & County**: I've included a town-by-town breakdown below, but within 90 days, the State must distribute dollars, utilizing a congressionally-mandated formula, directly to every county and town. These direct and flexible funds may be used by your towns to pay for COVID-19 related emergency expenses, cover lost revenues from the pandemic to maintain critical services and avoid layoffs of essential workers such as police, teachers, and first responders, and fund investments in water, sewage, and broadband infrastructure. These funds can be spent through December 31, 2024. The State will also receive significant support to cover revenue loss and COVID-

related expenditures, as well as fund certain infrastructure projects.

- Vaccines/Testing: The package includes more than \$60 billion for a nationwide investment in vaccine distribution, deployment, and testing and tracing, to help stem the spread of the virus.
- **Direct Checks to Families:** Every family who makes less than \$160,000 dollars should get a check sent to them, representing an enormous tax cut for middle class families. This includes \$1,400 direct payments to individuals earning less than \$75,000 per year and \$2,800 to families earning less than \$150,000 per year. This benefit fully phases out at an \$80,000 income level for individuals and \$160,000 for joint filers. Each eligible dependent including adult dependents should also qualify for a \$1,400 check.
- Unemployment Insurance/Tax Cut: Congress extended the \$300 per week Federal Unemployment Insurance supplement through September 6, 2021. The law also exempts the first \$10,200 in unemployment benefits from federal taxes for families making under \$150,000. New Jersey doesn't tax unemployment benefits.
- Help for Small Businesses & Restaurants: Paycheck Protection Program (PPP) and Small Business Support: The law provides an additional \$7.25 billion for the Paycheck Protection Program and an additional \$15 billion for the Targeted Economic Injury Disaster Loan (EIDL) Advance program. It also provides \$28.6 billion for a new program at the Small Business Administration offering assistance to restaurants and other food and drinking establishments, as well as \$1.25 billion in additional resources for live venues.
- AFG/SAFER Grants for First Responders: There is \$100 million in additional investment for the Assistance to Firefighter Grants (AFG), as well as \$200 million in additional investment for the Staffing for Adequate Fire and Emergency Response Grants (SAFER) grants. These are competitive grants that need to be applied for to help protect our first responders and our communities. We will follow up with your fire and EMS departments.
- Resources to Help K-12 Schools Reopen: The legislation provides nearly \$130 billion in K-12 funding to help schools recover from the budgetary impact of the COVID-19 pandemic and reopen for in-person learning (I've also strongly supported immediately vaccinating teachers, so that they can return to school safely). These resources should help schools address mental health issues and help students catch up. The legislation also includes resources for higher education institutions and also makes student loan forgiveness passed between Dec 31, 2020 and Jan 1, 2026 tax-free.
- Child Care: The bill includes additional resources for child care providers through the Child Care and Development Block Grant Program to help families get back to work.
- **Rural Health Care Providers**: The legislation provides \$8.5 billion for rural hospitals and facilities through the provider relief fund to offset the extra costs of the COVID-19

pandemic.

- **Child Tax Credit:** The Child Tax Credit is being increased to \$3,000 per child ages 6 to 17 and \$3,600 annually for children under 6 for the tax year 2021. The new enhanced benefits are fully refundable for the first time and phase out for individuals earning more than \$75,000 a year or \$150,000 for families.
- Rental/Mortgage Assistance: The bill extends current housing assistance programs to help homeowners pay their mortgage and utilities and assist renters to stay in their homes.
- School Meals/Summer Meals: The legislation continues providing school meals to children learning remotely by extending the Pandemic EBT program, and extends waivers for summer meal programs through September. It also contains resources to help food pantries and soup kitchens and includes support for the food insecure.
- Lowering Health Care Premiums: The bill invests \$35 billion to reduce Affordable Care Act (ACA) premiums for more seniors and more families, and requires that no one (in certain income brackets) spend more than 8.5% of their income on their health insurance premiums for plans obtained through the health care exchanges for the next two years. The legislation fully subsidizes COBRA premiums through September 30, 2021 to help ensure that those who lose their jobs still have access to affordable health care.
- **Nursing Home Protections:** The legislation creates strike teams for nursing home facilities to help manage COVID-19 outbreaks when they occur and better protect our seniors living in long-term care facilities.

### Localities

- State and local government recipients may use the funds clawed back detailed below to cover costs incurred by December 31, 2024. The funds would be distributed in two tranches, with the U.S. Department of Treasury delivering fifty percent to the State for allocation to towns no later than 90 days from March 11, and the remainder delivered no earlier than one year later. The direct and flexible funds may be used by your towns to pay for COVID-19 related emergency expenses, cover lost revenues due to the pandemic to maintain critical services and avoid layoffs of essential workers such as police, teachers, and first responders, and fund investments in water, sewage, broadband, and other ongoing infrastructure projects.
- These funds can be spent through December 31, 2024. There is no requirement that recipients of these clawed back funds have to spend money in each covered area. So, for example, a county or municipality receiving funding could dedicate all the funds they receive solely for broadband infrastructure.
- The local funding allocations are based on the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Program formulas,

which calculates funding levels based on population as well as a number of other economic indicators. Traditionally, there is a population floor when allocating these funds. However, to ensure that each town in my District would receive funding, I fought to eliminate this floor. This means, according to the law, that every single town in New Jersey's Fifth Congressional District will receive within 90 days of enactment.

Please find the specific expected funding for your county and/or town below. <u>These numbers are estimates at this time and subject to change.</u> I have also included more detail about some of the key resources included in this package that can help your town and constituents.

As ever, we are here to answer any questions and will pass along more details as we receive them. I will also have information available on these programs beginning this evening at <a href="http://www.gottheimer.house.gov">http://www.gottheimer.house.gov</a>. You can always find me at <a href="josh.gottheimer@mail.house.gov">josh.gottheimer@mail.house.gov</a> or contact Alex Beckmann on my team at <a href="alex.beckmann@mail.house.gov">alex.beckmann@mail.house.gov</a> or 202-695-4228 who can help with any additional questions. Please stay safe and thank you again for your leadership.

Yours,

Josh

Josh Gottheimer

MEMBER OF CONGRESS

Cc: County Executives & County Administrators

County Commissioners State Assembly, Senate Town Council Members

# **Estimated Specific Local Funding Numbers**

# Bergen County & Municipalities in Bergen

Bergen County Government: \$259.73 million

## Total to Individual Bergen Municipalities in the Fifth District: \$53.28 million

\$661,496 Allendale: Alpine: \$181,140 Bergenfield: \$2,684,392 Bogota: \$818,765 Closter: \$836,054 \$480,748 Demarest: Dumont: \$1,720,635 Emerson: \$746,172 Fair Lawn: \$3,231,447 Franklin Lakes: \$1,092,244 Glen Rock: \$1,150,005 Hackensack: \$4,340,685 \$464,638 Harrington Park: Haworth: \$333,302 Hillsdale: \$1,012,479 Ho-Ho-Kus: \$399,314 Lodi: \$2,391,660 Mahwah: \$2,573,684 \$944,404 Maywood: Midland Park: \$708,844 Montvale: \$841,850 New Milford: \$1,613,857 Northvale: \$483,990 Norwood: \$569,059 Oakland: \$1,269,750 Old Tappan: \$578,981 Oradell: \$798,726 \$2,579,971 Paramus: Park Ridge: \$854,031 Ramsey: \$1,462,088 Ridgewood: \$2,461,306 River Edge: \$1,123,285 River Vale: \$980,750 Rochelle Park: \$547,055 Rockleigh: \$51,965 Saddle River: \$311,691 Teaneck: \$3,957,186 Upper Saddle River: \$805,995

 Waldwick:
 \$992,931

 Washington:
 \$901,379

 Westwood:
 \$1,088,216

 Woodcliff Lake:
 \$573,578

 Wyckoff:
 \$1,664,741

### Passaic County & Municipalities in Passaic

Passaic County Government: \$97.33 million

Total to the Two Individual Passaic Municipalities in the Fifth District: \$3.78 million

Ringwood: \$1,198,237 West Milford: \$2,586,552 **Sussex County & Municipalities in Sussex** 

**Sussex County Government:** \$27.25 million

### Total to the Individual Sussex Municipalities in the Fifth District: \$9.26 Million

\$55,305 Andover Borough: Andover Township: \$576,623 Branchville: \$76,523 Frankford: \$520,729 Franklin: \$463,754 Fredon: \$310,414 \$340,964 Green: Hamburg: \$307,565 Hampton: \$475,640 Hardyston: \$764,836 Lafayette: \$232,123 Montague: \$358,351 Newton: \$787,724 \$179,077 Sandyston: Stillwater: \$380,159 \$194,991 Sussex: Vernon: \$2,160,028 Walpack: \$1,081 Wantage: \$1,070,928

### Warren County & Municipalities in Warren

Warren County Government: \$20.42 million

**Total to the Individual Warren Municipalities in the Fifth District:** \$6.51 million

Allamuchy:	\$458,352
Belvidere:	\$251,573
Blairstown:	\$559,040
Frelinghuysen:	\$213,459
Hackettstown:	\$919,061
Hardwick:	\$159,038
Hope	\$182,417
Independence:	\$531,534
Knowlton:	\$287,624
Liberty:	\$275,247
Mansfield:	\$723,087
Oxford:	\$237,918
Washington Borough:	\$633,598
Washington Township:	\$624,069
White:	\$457,369