



June 23, 2021

The Honorable Governor Philip D. Murphy
Governor of New Jersey
PO Box 001
Trenton, NJ 08625

The Honorable Senate President Steve Sweeney
New Jersey Senate President
PO Box 099
Trenton, NJ 08625

The Honorable Assembly Speaker Craig Coughlin
Speaker of the General Assembly
PO Box 098
Trenton, NJ 08625

VIA ELECTRONIC MAIL

Dear Governor Murphy, Senate President Sweeney, and Assembly Speaker Coughlin:

The American Rescue Plan (ARP) offers New Jersey an extraordinary opportunity to target aid to those most in need and begin dismantling racial, gender, and economic inequities exacerbated by the pandemic. Paired with long-term policy changes, these recovery funds have the potential to undo pandemic-induced hardships, especially for Black, Hispanic/Latinx, immigrant and low-income residents, and build a stronger and more equitable state economy for the many.

The ARP includes funds that must be spent on specific services like rental assistance, food security, child care, and public education so schools can safely reopen and help students recover from a challenging year. In addition, New Jersey has received \$6.24 billion in Fiscal Recovery Funds (FRF) for a broader set of purposes that allow for more flexibility. However, the U.S. Treasury explicitly encourages recipients to consider using the funds to “foster a strong, inclusive, and equitable recovery, especially with long-term benefits for health and economic outcomes” in mind.

For The Many NJ is eager to see these funds distributed in a way that will make the biggest difference in limiting hardships and realizing a state economy that works for everyone. At a minimum, New Jersey should use FRF dollars to stem the damage done by the pandemic by restoring jobs and services that were unexpectedly slashed last year and avoiding any additional layoffs and funding cuts to public programs.

On behalf of For The Many NJ’s member organizations, we recommend the following spending priorities as they would have the greatest impact and provide long-term

benefits for communities most at risk of being left behind after the pandemic-induced economic downturn. Along with sustainable revenue-raising policies to ensure the long-term sustainability of these programs, these recommendations offer proactive steps to both advance equity and lay the groundwork for a more prosperous future for all New Jersey families. We also request that the legislature and public be given formal opportunities to provide insightful input to ensure transparency during the formation of a spending plan.

Strengthen the Social Safety Net

The federal government is taking an active role in helping families recover with the resources they need to put food on the table and a roof over their heads. It's just as important that New Jersey be aggressive in reversing the pervasive barriers that keep these resources out of reach for some families and allow poverty to remain widespread in one of the wealthiest states in the nation.

New Jersey should use FRF dollars to spearhead a robust outreach campaign and application assistance for all social safety net and support services, not just those funded by federal relief dollars. This campaign should target communities that face systemic barriers to learning about and accessing support programs, including immigrants and people of color with low-incomes. In addition, outreach and assistance should be tailored to families living in deep poverty who are less likely to owe and file taxes and, as result, may miss out on tax credits for low-paid workers and their families. Specific recommendations include:

- Public awareness campaign directing families to NJHelps, the state's one-stop-shop website
- Fund community-based organizations that already help families access state resources as well as organizations that are connected to people with particularly significant barriers to receiving the assistance they qualify for
- Connect these outreach efforts to existing state-funded jobs programs

Provide Direct Cash Assistance to Residents Who Need it Most

Based on past economic crises, we know some New Jersey residents will continue to experience hardship once the effects of the pandemic begin to subside. This is especially true of Black workers whose improvements in job prospects significantly lagged those of white workers. The state should use relief funds to stabilize residents facing hardship and keep their children safe from the long-term effects of deep poverty. The most straightforward way to boost household income of families who had been living paycheck to paycheck is to provide direct cash payments with no strings attached and regardless of immigration status.

Some may need one-time emergency assistance while other residents with more complex challenges may need income for an extended period. Either way, households with children or adult dependents should be given an increased amount of direct cash assistance.

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Targeted population must include the nearly a half million undocumented immigrants who have been excluded from almost every form of state and federal relief for the past fourteen months. The Fund for Excluded New Jerseyans should be expanded to include sufficient cash assistance for all individuals and families in need but who are excluded from federal relief programs. Other targeted populations include:

- Families fleeing domestic violence
- Families in the child welfare system
- Families receiving benefits through SNAP or TANF
- Community college students with low-incomes
- People returning home from jail or prison
- Young people exiting the the foster care system
- Single adults not caring for minor children
- Workers ineligible for unemployment insurance, including undocumented immigrants

Support Low-Paid Essential Workers

It can't be said enough: Those who worked outside of the home during the pandemic providing critical services like health care and food production were overwhelmingly women and people of color — and they often went without basic health and safety protections, paid leave, or hazard pay. These workers deserve recognition through fair compensation, yet they have been repeatedly overlooked in federal relief and recovery legislation. New Jersey should rectify this using FRF dollars to provide bonus pay to those with limited income and those who worked in difficult and often dangerous conditions so the rest of us could quarantine safely at home.

- Provide bonus pay (up to \$13 per hour and up to \$25,000 per worker) to those essential public and private workers most in need of support
- Prioritize essential workers who put their own health at risk, particularly health care workers, for hazard pay (up to 160 hours of hazard pay at \$13 per hour for healthcare workers and up to 80 hours of hazard pay at \$13 per hour for other essential workers)
- Create a subsidized job program covering the costs of wages in both public and private sector jobs to help keep those who experienced a disproportionate share of job losses last year in the job market

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Expand Child Care Support for Families and Providers

For New Jersey families and child care providers, \$695 million in targeted relief is on the way with expanded child care assistance, including subsidies for essential workers, and support for New Jersey's child care providers as they rebuild their businesses. That dedicated funding can cover a range of business expenses plus mental health supports for children and early educators. Here is how best to use this federal aid:

- Expand subsidy eligibility to 250 percent FPL (as was done for school-age kids during emergencies)
- Direct essential worker bonus to child care workers to increase hiring/availability
- Link bonus with child care worker registration in the state registry
- Eliminate co-pays for all families
- Provide tuition assistance for families up to 400 percent FPL so that families do not pay more than 7 percent of income on child care costs
- Enhanced funding to child care providers through subsidy with a mandatory percentage going to compensation increases
- Maintain payment-by-enrollment rather than by attendance for subsidy centers
- Fully pay for premium costs for health care through the exchange for child care workers
- Scholarships for child care workers to go back to school to increase quality

Advance Health Equity

Past policies and continuing racism in health care — the effects of which were on full display during the COVID-19 pandemic — have disproportionately burdened Black, Hispanic/Latinx, and indigenous populations. The physical and emotional toll of such disparity will be felt for years. New Jersey must work to expand access to high-quality and affordable health care programs, advance health equity, and break down barriers to well-being. This flexible spending can also be used to reimagine New Jersey's public health infrastructure based on lessons learned throughout the state's response to the pandemic. FRF dollars should focus on the following priorities:

- Cover salary and benefits for public health and safety workers focused on fighting COVID
- Improve the design and execution of health and public health programs
- Expand health insurance coverage to include residents with no other path toward coverage due to immigration-related restrictions
- Improve community access to mental health care services through provider recruitment efforts, insurance expansion, improved Medicaid reimbursement, and funding outreach efforts through community-based organizations

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Center People in Public Safety

The American Rescue Plan includes several provisions that can help New Jersey modernize its overall emergency response systems with more human-centered investments. For example, create mobile crisis teams to connect people to community-based services rather than incarcerating people with mental health and substance abuse disorders. New Jersey can begin reimagining the future of public safety with options made possible by FRF dollars:

- Federal matching rate for mobile crisis intervention services in Medicaid
- Federal matching funds for state planning grants and efforts to expand mobile crisis teams

Invest in Black and Hispanic/Latinx Communities

New Jersey can also use FRF dollars to augment existing investments in Black and Hispanic/Latinx communities such as schools, college aid, health care, and affordable housing by restoring cuts in public services related to these investments or helping people directly affected by the pandemic's economic impacts. For example:

- Increase support for school-based social services in high-poverty neighborhoods using the community school model. In addition,
 - Eliminate police and security presence in schools
 - Reform disciplinary policies that rely on law enforcement and criminalize normal youth behavior
- Release youth from juvenile detention facilities and support their reentry into schools and communities
- Increase support for community college and public university students by returning state tuition aid support to pre-Great Recession levels and providing child care assistance to students who are parents of young children
- Build comprehensive care for people with substance use disorders offered through Medicaid by using FRF dollars to both supplement services not covered by Medicaid and fund treatment for those who are underinsured or not Medicaid eligible
- Supplement mental health care through Medicaid and reach people ineligible for Medicaid with an emphasis on chronically underserved low-income areas and Black and Hispanic/Latinx communities
- Improve health outcomes through violence intervention programs
- Increase investment in legal aid representation for individuals detained by ICE and facing deportation
- Eliminate drug war-era laws that have led to extremely high incarceration rates with stark racial disparities and leave those in detention facilities at greater risk of infection

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Keep Families Housed

The ARP also includes dedicated funds to help keep families in their homes through the state of emergency. However, these housing dollars fall short in states like New Jersey with a large tenant population and a higher cost of living. New Jersey can use the FRF dollars to supplement this aid and protect renters and homeowners struggling against poverty. In addition, New Jersey can:

- Support homeowners and renters by extending the moratorium on evictions
- Provide mortgage payment relief
- Strengthen consumer protections for households participating in repayment and forbearance programs
- Provide a right to counsel for lower-income renters, including undocumented immigrants, to prevent evictions post-moratorium

Invest in Public Education

The educational impact of the pandemic has not affected New Jersey's school districts equally. Students of color, students living in poverty, and English language learners are especially vulnerable to falling behind in their education. These children may need five years of extended learning time and tutoring to get back on track. Knowing this long, sustained effort will outlast dedicated federal funds (via ARP and CARES), New Jersey should target the more flexible FRF dollars toward high-poverty schools. These extra funds could help reduce racial and economic disparities in education caused by long-standing structural inequality in the following ways:

- Increase base per-pupil funding and boost weights within the school funding formula to steer resources to districts serving high concentrations of students most at risk of falling behind
- Payments to high-poverty school districts for higher teacher pay to facilitate longer school year/day to "catch up"
- Enhanced payments for behavioral screenings and school counselors and mental health professionals
- Expand community schools in communities that have been hardest by the pandemic and have generally been underserved
- Promote healthy childhood environments in high-poverty school districts with operational funding for summer day camps including early and after care options

Expand Broadband, Clean Water, and Transit Infrastructure

FTF dollars provide an opportunity to reduce the backlog of needed infrastructure maintenance to a point where the long-term challenges are more manageable. These infrastructure needs are particularly apparent in Black and Hispanic/Latinx communities that have long faced segregation and underinvestment. New Jersey can help reverse this harm by emphasizing equity and improve both the health and economic stability of these communities. Over the long term, these kinds of investments are known drivers of economic growth and wages. Here's how New Jersey should target these funds:

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- Expand broadband access into rural areas
- Provide routers and internet access subsidies to low-income people in metro areas
- Replace lead service lines, particularly in Black communities
- Modernize sewer infrastructure in Black and Hispanic/Latinx communities
- Strengthen lead paint abatement programs by removing restrictions and expanding the pilot program
- Modernize NJ Transit buses to reduce/remove environmental toxins in Black and Hispanic/Latinx communities
- Counter effects of climate change through green infrastructure investment and resilience projects like storm/wastewater infrastructure
- Use strong labor standards like a project labor agreements and community benefit agreements that offer wages above the prevailing rate and include local hire provisions
- Modernize state departmental IT platforms to include racial data to evaluate the impact of improved investments using federal relief aid

Advance Equity with Racial Impact Statements

Deployment of ARP and FRF dollars must help advance the values and goals of equity and justice to ensure New Jersey is stronger and more resilient for all residents as it moves forward from the pandemic and recession. Structural racism and the nation's history of anti-Black policies — from enslavement, to Jim Crow, to the War on Drugs, and beyond — meaning that, even with the best of intentions, New Jersey's policies and institutions will replicate racial injustice without intentional strategies to do otherwise. Racial equity impact assessments (REIAs) play an essential role in navigating this process, analyzing and making public how proposed legislation may impact different ethnic and racial groups.

New Jersey recently required REIAs for criminal justice bills that could hurt or help communities of color. REIAs should now be required for all proposed legislation with a potential racial impact. This would allow lawmakers and the public alike to see who benefits from new policies, from changes in the tax code to expansions of the social safety net. In addition to requiring REIAs, New Jersey should increase staffing at the Office of Legislative Services to allow for frequent and robust REIAs that utilize nationally-established best practices.

Respectfully,

Alliance for Immigrant Justice
 Anti-Poverty Network of New Jersey
 BlueWave NJ
 Clean Water Action
 Community Access Unlimited
 Cooper River Indivisible
 Environment New Jersey
 Food & Water Watch

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Good Government Coalition of New Jersey
Health Professionals and Allied Employees
Hudson County Central Labor Council
Hudson County Progressive Alliance
IFPTE Local 194
Indivisible Cranbury
Indivisible NJ 5th District
League of Women Voters of New Jersey
Lutherans Engaging in Advocacy Ministry NJ
Make the Road New Jersey
New Jersey Citizen Action
New Jersey Institute for Social Justice
New Jersey Policy Perspective
New Jersey Work Environment Council
New Jersey Working Families
New Labor
NJ 11th For Change
NJ-08 For Progress
NJ Community Schools Coalition
Our Children/Our Schools
Our Revolution – Essex County
Our Revolution – Trenton/Mercer County
Our Revolution – New Jersey
Rutgers AAUP-AFT
Save Our Schools NJ
Salvation of Social Justice
Sierra Club NJ
SOMA Action
South Jersey Progressive Democrats
South Jersey Women for Progressive Change

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