



NEW JERSEY LEGISLATURE COMBATS COVID-19 IMPACT

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Beginning Thursday, March 19, 2020, and continuing over the next few days, New Jersey took several actions to address the nationwide emergency caused by the novel coronavirus known as COVID-19. Several of these steps will have a direct impact on businesses operating in the State of New Jersey, and businesses and employers should be prepared for additional changes as state and local governments take steps to attempt to mitigate the spread of COVID-19.

First, following his declaration of a public emergency on Monday, March 16, 2020, Governor Murphy signed into law A-3859/S-2276, which enables the governor to issue an executive order halting enforcement of eviction/foreclosure orders. He then immediately issued the executive order contemplated by the law. As a result, for the duration of the public emergency and for two months thereafter, eviction and foreclosure proceedings may be initiated or continued, but enforcement of all judgments for possession, warrants of removal, and writs of possession would be stayed, unless a court determines that enforcement is necessary in the interest of justice. Likewise, sheriffs, court officers, and their agents are required to refrain from acting to remove individuals from residential properties through the eviction or foreclosure processes while the executive order is in effect, unless a court determines that removal is necessary in the interest of justice.

Also on Thursday, the New Jersey Senate passed 28 Bills collectively known as the “COVID-19 Emergency Response Package.” Governor Murphy already has signed several of those Bills, and the expectation is that he will sign all of the remaining Bills into law. Those Bills relate to a number of different topics, including voting, education, and open government requirements. New Jersey businesses in particular should be aware of the following changes that are expected to be enacted in the very immediate future:

- New Jersey will automatically extend the deadline to file a gross income tax or corporate/business tax return if the federal government extends the filing or payment due date for federal returns. No penalties or interest will be imposed if the taxpayer files before the end of the extension. The extended due date would be no later than June 30, 2020. Note: The federal government has extended the tax filing deadline to July 15, 2020.
- All health insurance carriers (health, hospital, and medical service corporations, health maintenance organizations, and insurance companies), as well as the State and School Employees’ Health Benefits Programs and the State Medicaid program, are required to provide coverage for expenses incurred in connection with an ordered test for COVID-19

and the delivery of health care services through telemedicine or telehealth. No cost-sharing may be imposed on this coverage.

- A separate bill (signed on Friday) provides that, for the duration of the public health emergency declared in response to COVID-19, any health care practitioner may provide and bill for services using telemedicine and telehealth, as appropriate under the applicable standard of care. It further expands opportunities for care by authorizing any practitioner who is not licensed or certified to practice in New Jersey to provide health care services using telemedicine and telehealth if that practitioner is in good standing in another jurisdiction, the services to be provided are within the practitioner's authorized scope of practice, and the services provided are limited to services related to screening for, diagnosing, or treating COVID-19. The bill makes clear that this limited authorization is not a blank check for out-of-state health practitioners to begin the practice of medicine in New Jersey.
- Under A-3845/S-2284, the New Jersey Economic Development Authority is authorized to provide grants while the COVID-19 emergency is in effect, as well as for the duration of economic disruptions due to the emergency. Included with that authorization is the power to make grants for working capital and meeting payroll requirements for small and medium-sized businesses and not-for-profit corporations.
- New Jersey will create the "Temporary Lost Wage Unemployment Program" to allow individuals affected by the COVID-19 pandemic to recover actual lost wages under certain circumstances and to assist employers who pay wages to workers who are ordered under quarantine by a licensed healthcare practitioner as a result of COVID-19. An employee who does not have access to fully-paid leave can recoup wages lost because the employee was absent from work due to their own illness, the need to care for a family member, or school/child care closures. The employee will be compensated using their average weekly rate of compensation from the past calendar year. If the individual receives unemployment benefits for that time period, that individual will not be eligible for benefits under this Program. Individuals and employers seeking relief are required to file claims no later than three months following the termination of a declaration of the COVID-19 state of emergency.
- Under A-3848/S-2301, employers are prohibited from terminating or refusing to reinstate an employee if the employee requests or takes time off from work because a medical professional has instructed the employee to take time off from work because the employee has or may have an infectious disease. Violations could result in both an order to reinstate the employee, as well as fines of up to \$2500 for each violation.
- New Jersey has appropriated \$10 million for financial assistance to certain health care and residential facilities to meet the sanitation demands imposed by COVID-19 outbreak.
- The state is amending N.J.S. 14A:5 to authorize corporations to hold shareholder meetings by means of remote communications during a state of emergency declared by the Governor.

- Under A-3862/S-2298, the director of the Division of Consumer Affairs in the Department of Law and Public Safety, with the approval of the Attorney General, is authorized to expedite the professional and occupational licensing process for out-of-state individuals during a declared state of emergency.
- Notaries public are authorized to perform certain notarial acts remotely.
- As anyone who has gone to the grocery store in the last several weeks knows, consumers have been buying large quantities of perishable and non-perishable grocery products in anticipation of shortages (or a possible quarantine). Because of concerns that the COVID-19 virus may remain viable on contaminated surfaces for hours or days, the legislature has ruled it unlawful for any retail food store to accept the return of any groceries and other foodstuffs purchased by a consumer during, and for 30 days following, a state of emergency declared in response to COVID-19. (There are very limited exceptions, and any groceries or other foodstuffs accepted for return by a retail food store are not to be offered for resale). The bill defines “groceries and other foodstuffs” to mean dairy products, meat and delicatessen products, produce products, seafood products, carbonated beverages, coffee and other beverages, snack foods, candy products, baked products, paper products, household cleaning items, health and beauty products, frozen foods, pet foods and supplies, and any other edible product not previously listed. Violations are punishable by fines of up to \$10,000 for a first offense and up to \$20,000 for any subsequent offense. Significant violations may also result in cease and desist orders, punitive damages, treble damages, and costs of injuries to others.