AN ACT to amend the labor law, in relation to prohibiting the inclusion of claims for unemployment insurance arising from the closure of an employer due to COVID-19 from being included in such employer's experience rating charges

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision 3 of section 581-a of the labor law, as amended by chapter 617 of the laws of 1977, is amended to read as follows:

3. Notwithstanding the provisions of section five hundred eighty-one of this title to the contrary, any employer whose employees receive payments under this article and whose claims for unemployment insurance arise due to the closure of the employer or a reduction in the workforce of the employer for reasons related to novel coronavirus, COVID-19, or due to a mandatory order of a government entity duly authorized to issue such order to close such employer, on or after March twelfth, two thousand twenty shall not have included in their experience rating charges the amounts so paid to the employees from the fund.

4. The provisions of this section shall apply to an employer liable for payments in lieu of contributions, but if the secretary of labor of the United States finds that their application to such employer does not meet the requirements of the Federal Unemployment Tax Act, such provisions shall be inoperative with respect to such employer, unless and until such finding has been set aside pursuant to a final decision issued in accordance with such judicial review proceedings as may be instituted and completed under the provisions of section thirty-three hundred ten of the Federal Unemployment Tax Act.

§ 2. This act shall take effect immediately.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [—] is old law to be omitted.