STATE OF NEW YORK

8179

IN SENATE

April 13, 2020

Introduced by Sen. BORRELLO -- read twice and ordered printed, and when printed to be committed to the Committee on Commerce, Economic Development and Small Business

AN ACT in relation to providing relief for business owners and employers affected by COVID-19

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

Section 1. Notwithstanding any provision of law or regulation to the contrary, if as a result of a mandatory or precautionary order of quarantine or isolation issued through an executive order from the governor or by the state of New York, the department of health, local board of health, or any governmental entity duly authorized to issue such order due to COVID-19, businesses are forced to terminate employees which leads to increased unemployment rates for businesses in conjunction with increased unemployment claims, any small business who is forced to terminate an employee or employees shall be exempt from any unemployment insurance rate increases. Such exemption from unemployment insurance rate increases shall be for a period of one year from the date that an executive order or law is issued or passed allowing for businesses to return to full staff and full hours of operation. For purposes of this act, "small business" shall mean a business which is resident in this state, independently owned and operated and who employs one hundred full-time equivalent employees or less.

§ 2. For the duration of any mandatory or precautionary order of quarantine or isolation issued through an executive order from the governor or by the state of New York, the department of health, local board of health, or any governmental entity duly authorized to issue such order due to COVID-19 and for no less than one year after such order of quarantine or isolation has been lifted, internet-based food delivery service providers shall be prohibited from increasing service and delivery fees charged to customers at any level higher than what such providers had contracted for on or before March 1, 2020. For purposes of this act, "internet-based food delivery service provider" shall mean any third-party platform which provides online and mobile food ordering and

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

LBD16055-03-0

delivery services in conjunction with local restaurants to deliver food from such local restaurants to customers.

§ 3. For the duration of any mandatory or precautionary order of quarantine or isolation issued through an executive order from the governor or by the state of New York, the department of health, local board of health, or any governmental entity duly authorized to issue such order due to COVID-19, small businesses shall have an additional 90 days to pay any monthly sales and payroll taxes which become due during such time.

§ 4. For the duration of any mandatory or precautionary order of quarantine or isolation issued through an executive order from the governor or by the state of New York, the department of health, local board of health, or any governmental entity duly authorized to issue such order due to COVID-19, small businesses shall have an additional 60 days to pay any business or property taxes which become due during such time.

§ 5. The state of New York mortgage agency shall have the authority to originate and offer interest-free loans or lines of credit to any business who has been in operation as of March 1, 2020 and who has been negatively affected by any mandatory or precautionary order of quarantine or isolation issued through an executive order from the governor or by the state of New York, the department of health, local board of health, or any governmental entity duly authorized to issue such order due to COVID-19. Such loans or lines of credit shall be made available to such businesses for a period to be determined by the governor, but for not less than one year from the effective date of this act. The amount of such loans or lines of credit authorized to be issued shall be limited to an amount to cover such business' net payroll payables, owed rent or mortgage payments, and any taxes such business is responsible for.

§ 6. Hospitality business operators who have purchased alcohol inventory from distributors prior to March 1, 2020 and who are now unable to sell such alcohol inventory as a direct result of COVID-19 shall be permitted to return such inventory directly to the distributor it was purchased from and receive a refund for the full amount of the total price paid, less a restocking fee which shall not exceed 10 percent of the total price paid. Any alcohol inventory being returned to a distributor shall be sealed in its original packaging and shall be able to be resold by such distributor. Hospitality business operators shall be eligible to return such alcohol inventory for a period of up to 60 days from the effective date of this act.

§ 7. Businesses negatively affected by COVID-19 shall have an additional 90 days to pay any fees or penalties due to state and local agencies that become due and payable during the duration of any mandatory or precautionary order of quarantine or isolation issued through an executive order from the governor or by the state of New York, the department of health, local board of health, or any governmental entity duly authorized to issue such order due to COVID-19. Such fees and penalties due to state and local agencies shall include, but not be limited to, late filing fees, penalties for late payment of sales tax owed and penalties for failure to renew liquor licenses.

§ 8. This act shall take effect immediately.