STATE OF NEW YORK

4692

2021-2022 Regular Sessions

IN ASSEMBLY

February 4, 2021

Introduced by M. of A. NORRIS -- read once and referred to the Committee on Economic Development

AN ACT to enact the "New York Business Emergency Relief Act of 2021"; to direct the governor to unallocated settlement funds resolved in the economic uncertainties fund (Part A); to amend the urban development corporation act, in relation to enacting the restart New York grant relief program (Part B); and to authorize the governor to reallocate certain monies for the restart New York grant relief (Part C)

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

Section 1. Short title. This act shall be known and may be cited as the "New York Business Emergency Relief Act of 2021".

§ 2. Legislative intent. The legislature seeks to provide immediate assistance to businesses that have been deemed non-essential or have faced restrictions or closures as a result of the Governor's Executive Orders and have lost income as a result.

The legislature recognizes that New York's private businesses are the backbone of our state economy and the state must act boldly to address the negative impacts resulting from the COVID-19 outbreak and the associated statewide business sector shutdown. According to a recent poll by the National Federation of Independent Businesses, 76% of its members have been negatively impacted by COVID-19. Through Executive Orders, businesses that were deemed non-essential were forced to keep their doors closed with no indication of when they will be able to reopen and face significant revenue. It is imperative that the legislature provides immediate assistance to these businesses as they try to manage the devastating impact of the COVID-19 virus and the interruption of their business operations. The New York Business Emergency Relief Act of 2021 will offer direct fiscal relief and protections for businesses while mitigating the risk of businesses being forced to permanently close their doors and further harm the local and state economies.

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

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It is therefore the intent of the legislature to implement measures to assist New York's businesses with the loss of their income as a result of being deemed non-essential by the Governor's Executive Orders by providing direct financial assistance in the way of State grants. The legislature recognizes that extraordinary times call for extraordinary measures and therefore is directing that settlement money received by the state from financial or banking institutions, from current economic development programs and from any federal aid provided to the state for economic recovery be used to help the state fight the economic crisis brought on by the COVID-19 virus by directing this funding be provided to non-essential businesses that were negatively impacted by the Governor's Executive Orders.

§ 3. This act enacts into law major components of legislation which are necessary to implement the New York Business Emergency Relief Act of 2021. Each component is wholly contained within a Part identified as Parts A through C. The effective date for each particular provision contained within such Part is set forth in the last section of such Part. Any provision in any section contained within a Part, including the effective date of the Part, which makes a reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Part in which it is found. Section five of this act sets forth the general effective date of this act.

PART A

Section 1. Notwithstanding any other law, rule and regulation to the contrary, the governor shall immediately direct all unallocated settlement funds that are reserved in the "economic uncertainties" fund and any further settlement money that may be received by the state to small business relief purposes consistent with the intent of the "New York Business Emergency Relief Act of 2021".

§ 2. This act shall take effect immediately.

PART B

Section 1. Section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by adding a new section 16-bb to read as follows:

§ 16-bb. Restart New York grant relief program. (1) As used in this section, the following terms shall have the following meanings:

(a) "State of emergency" shall mean a disaster emergency for the entire state of New York declared in Executive Order two hundred two, beginning on March seventh, two thousand twenty as well as any further amendments or modifications thereto.

(b) "Non-Essential Business" shall mean those businesses that have not been deemed essential as declared in Executive Order 202.6 and in further guidance issued by New York State Empire Development and shall include, but not be limited to, bowling alleys, barber shops, salons, movie theatres, gyms, restaurants, and tourism related businesses and employ two hundred and fifty or less employees.

(2) The corporation shall establish a fund to be known as the "restart New York grant relief fund" and shall pay into such fund any monies made available to the corporation for such fund from any source, including federal COVID-19 stimulus funding provided to states. The monies held in or credited to the fund shall be expended solely for the purposes set

forth in this section. The corporation shall not commingle the monies of such fund with any other monies of the corporation or any monies held in trust by the corporation.

(3) The corporation shall provide grants equal to the likely net income lost as a result of being deemed a non-essential business or for having services limited during the state of emergency. Funding for such grants will be allocated from any monies made available from the restart New York grant relief fund.

(4) Businesses shall apply for such grant on a form prescribed by the corporation. Each form shall contain content as set forth by rule, regulation, instruction or procedure of the corporation and may be changed or updated as necessary by the corporation in order to carry out the purpose of this section. To determine the amount of each grant provided, non-essential businesses who had their services limited shall include the following information on such form:

a. The net income of the business during the 2018 and 2019 tax years as evidenced by their tax returns;

b. The net income of the business during the 2020 tax year as evidenced by a certified profit loss statement or tax return;

c. The certified projected net income loss of the business for the 2021 tax year;

d. The operating expenses, including payroll expenses, necessary to resume operations with the same quality of service that existed prior to when the business was deemed a non-essential business; and

e. Other relevant sources of information including, but not limited to, any funds received by the business through the Federal Payroll Protection Program, tax returns, financial records, and accounting procedures.

§ 2. This act shall take effect immediately.

PART C

Section 1. Notwithstanding any other law, rule or regulation to the contrary, the governor is hereby authorized to repurpose all monies of the New York state urban development corporation, the environmental facilities corporation, the dormitory authority of the state of New York, the New York state energy research and development authority and all other state resources as identified and needed by the governor to fully fund programs created by this act.

§ 2. This act shall take effect immediately.

§ 4. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 5. This act shall take effect immediately provided, however, that the applicable effective date of Parts A through C of this act shall be as specifically set forth in the last section of such Parts.