



NEW YORK STATE SENATOR  
Brian Kavanagh

## Senate Majority Helps Small Businesses Build Back From COVID-19

BRIAN KAVANAGH January 19, 2021

| ISSUE: **SMALL BUSINESS, COVID-19, COVID-19 EMERGENCY PROTECT OUR SMALL BUSINESS ACT, THIRD-PARTY DELIVERY FEES, RESTAURANTS**



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### Senate Majority Helps Small Businesses Build Back From COVID-19

(Albany, NY) The Senate Majority will advance major legislation to support the small businesses that have taken the brunt impact of the COVID-19 pandemic. This action builds on the **legislation** passed in July 2020 to help hardworking New Yorkers and struggling small businesses. The legislative package that will be advanced by the Senate Majority includes protecting small businesses from eviction and foreclosure with the COVID-19 Emergency Protect Our Small Business Act, protecting restaurants from third-party delivery fees,

implementing third-party restaurant posting requirements, promoting the shared work eligibility program, freezing unemployment insurance rates, and establishing a partial-unemployment system.

“Throughout the COVID-19 pandemic, the Senate Democratic Majority has been committed to addressing the needs of struggling New York small businesses and workers,” Senate Majority Leader Andrea Stewart-Cousins said. “Our legislative package builds on the bills we have already advanced in recent months to help address this crisis. These efforts will help keep our storefronts and restaurants open, cut business costs, and help workers keep their jobs. I thank Senator Anna Kaplan, Chair of the Committee on Commerce, Economic Development and Small Business, and the bill sponsors for their swift work getting this needed legislation done in the second full week of the Legislative Session.”

Chair of the Committee on Commerce, Economic Development and Small Business, and bill sponsor Senator Anna Kaplan said, “Our small businesses have been hit hard by the pandemic, and they need our help if they’re going to survive these challenging times. The COVID-19 Emergency Protect Our Small Businesses Act, which I’m proud to have introduced, will hit the pause button on eviction and foreclosure proceedings for small businesses that are struggling, giving them a shot at survival, and giving them the opportunity to get back on their feet without the looming threat of being closed down for good just because they’ve fallen behind during the pandemic. The full package of legislation being passed by the Senate Majority will be a lifeline to New York’s small business community, and I’m extremely grateful to our Majority Leader Andrea Stewart Cousins for making this issue a priority.”

The legislation advanced by the Senate Democratic Majority includes:

- Small Business Eviction and Foreclosure Moratorium: This bill, [S.471A](#), sponsored by Senator Anna Kaplan, establishes the COVID-19 Emergency Protect Our Small Business Act to protect small businesses with COVID-19 related financial hardships from eviction and foreclosure until May 1.
- Third-Party Restaurant Posting: This bill, [S.1630A](#), sponsored by Senator Diane Savino, prohibits any third party food delivery platform from listing, selling or advertising products of any food service establishment without a written agreement with them.
- Restricting Third-Party Delivery Fees: This bill, [S.1554B](#), sponsored by Senator Brian Kavanagh, creates a maximum limit for the total fee that can be charged to a food service

establishment by a third-party food delivery service (such as Grubhub, Seamless, Postmates, Doordash, etc.)

- Increased Outreach From DOL on the Shared Work Program: This bill, [S.18A](#), sponsored by Senator Shelley Mayer, creates a requirement for the Department of Labor to increase their efforts to provide information to employers about shared work program eligibility and have information available on the Department's website. The shared work program can help reduce layoffs and is fully funded by the federal CARES Act during the pandemic.
- Freezing Employers Unemployment Insurance Premiums: This bill, [S.1197](#), sponsored by Senator Roxanne Persaud, freezes New York State's unemployment insurance experience rating for one year for layoffs and closures that occurred due to COVID-19. This action will prevent significant increases in costs to employers who have experienced higher unemployment rates in 2020.
- Partial Unemployment Insurance: This bill, [S.1042A](#), sponsored by Senator Jessica Ramos, establishes a system of partial-unemployment. This would shift the current calculation that any day of work leads to a 25% reduction in benefits, and instead would reduce benefits by an amount proportional with the amount earned. This legislation will help incentivize part-time work by reducing the disincentive that a day of work will lead to a disproportionate reduction of benefits.

Bill Sponsor, Senator Brian Kavanagh, said, "Our restaurants are vital to our communities and part of what makes New York great. Ordering food online and having it delivered is a welcome convenience for many New Yorkers--and participation in the platforms of third-party food delivery companies has become unavoidable for many restaurants. We must make sure that these companies are not abusing their power in the marketplace by charging outrageously high fees or engaging in other practices that will ultimately harm restaurants and consumers as well. This was true before COVID-19 ravaged our neighborhoods, and is even more true now, as restaurants have struggled to stay afloat given public health restrictions on their ability to serve New Yorkers. Passing this legislation now is an important step to mitigate the hardship caused by the COVID-19 emergency. I thank my legislative colleagues who have worked on this issue, especially Senator Diane Savino and Assemblymember Pat Fahy, who sponsors similar legislation in the Assembly."

Bill Sponsor, Senator Shelley Mayer, said, “Most small businesses are owned and operated by people who live, work and pay taxes in our communities. Ensuring small businesses have the support they need to weather the current crisis is pivotal to the success of our communities. The package of legislation put forth by the Senate Majority supports small businesses by: establishing an eviction and foreclosure moratorium; creating a maximum fee limit on third-party food delivery services to protect local restaurants; and freezing unemployment insurance premiums, among other measures. Included in this package is also my bill, S.18A, to require increased outreach from the NYS Department of Labor about the Shared Work Program which offers a smart alternative to laying off valued employees. The Shared Work program helps employers keep employees on the payroll, while allowing staff members to receive partial Unemployment Insurance benefits proportional to the number of reduced work hours.”

Bill Sponsor, Senator Roxanne Persaud, said, “Last year, businesses across New York State that were deemed non-essential had to close and send employees home, immediately resulting in more than 1 million New Yorkers claiming unemployment benefits (UIB). S.1197 provides needed regulatory relief to businesses that were shuttered to slow the spread of COVID-19 by preventing negative Unemployment Insurance Experience Ratings. Businesses did not volunteer to close and lay-off their employees, so they should not be financially penalized while getting back on their feet.”

Bill Sponsor, Senator Jessica Ramos, said, “As hundreds of thousands of New Yorkers begin to get called back to work at reduced hours, passing my bill to update New York State’s antiquated Partial Unemployment Insurance system is a long overdue win for working families. These necessary reforms to change the way our state calculates its Partial Unemployment Insurance benefits means even more New Yorkers can accept part time work knowing that no matter how many hours they are offered each week, they will not be at risk of losing these supplemental benefits that allow them to provide for their families.”

Bill Sponsor, Senator Diane Savino, said, “The third-party food delivery platforms and restaurants are providing a valuable service to consumers which has become essential during the ongoing pandemic. While consumers want this convenience, restaurants should have control over their product and how it is advertised, sold, and delivered. In food service, this is particularly important from a food-safety and sanitation standpoint.”

Deputy Majority Leader Senator Michael Gianaris said, “Small businesses are the backbone of our communities and have suffered greatly during the COVID-19 pandemic. We have much to do to help them survive this difficult time, but today our Senate Majority is taking important steps to provide assistance.”

Senator Jamaal Bailey said, “COVID-19 has had a devastating impact and placed significant financial hardships on many, especially small businesses. These local businesses are the life blood of our communities, and when COVID-19 struck, they were the first ones to step up for our neighbors. Sadly, many small businesses have closed their doors forever, while some teeter on the brink of permanent closure. This package of bills, along with much-needed federal relief, can help to begin to stem the tide and give these businesses a sorely needed economic boost. I am proud to be a part of a conference that is committed to ensuring that our mom and pop shops throughout the state remain open. I would like to thank Majority Leader Andrea Stewart-Cousins, and Commerce, Economic Development and Small Business Committee Chair Senator Anna Kaplan for their leadership, and my colleagues who sponsored these crucial pieces of legislation.”

Senator Alessandra Biaggi said, “The pandemic has financially devastated so many of the small businesses at the heart of our communities. In order to rebuild our local economies and revitalize our neighborhoods, we must provide our small businesses with the financial relief and market protection that they need to recover and remain open. I am proud to join my colleagues in the Senate to pass legislation that will support District 34’s small businesses, and thank the bill sponsors for their leadership to move this package forward.”

Senator Samra Brouk said, “Small businesses in our community are in a fight for their very survival. These small business owners have poured their heart, their soul, and often their life savings into their businesses. We cannot turn our backs on them now. New York is committed to a just and equitable economic recovery that affords small businesses an equal chance of getting back on their feet.”

Senator Jeremy Cooney said, “The federal government’s response to this pandemic has left New Yorkers behind. The American people responded by voting in a new President and by changing the makeup of the Senate. While we are optimistic for a new federal package under the Biden administration, these state level reforms provide meaningful relief as our businesses and our workers get back on track. I am a proud co-sponsor of this new legislation and I am grateful for my colleagues in the Senate Majority and Majority Leader

Stewart-Cousins who are committed to working on behalf of small business owners and their employees.”

Senator Simcha Felder said, “We have a responsibility to do everything in our power to save New York’s small businesses. Our actions today, empower small business owners to do what they do best, get people back to work in their local communities.”

Senator Jim Gaughran said, “Small businesses are the lifeblood of our community and have faced extraordinary struggles amid this unprecedented pandemic. This package of legislation is critical to supporting mom and pop shops across our community while also providing protections for workers experiencing unemployment. I thank Leader Stewart-Cousins for prioritizing the millions of workers and small business owners across New York.”

Senator Andrew Gounardes said, “Small businesses are the engine of our economy and what make our neighborhoods great places to live. Without them, Brooklyn wouldn’t be Brooklyn and New York wouldn’t be New York. Throughout the devastation of the COVID crisis, I have worked hard to reach out to businesses in my community and advocate for their needs. Today, we are passing legislation that will help them keep their doors open until we can turn our attention to the recovery. And yet, there is so much more we can and must do to help our small businesses succeed at the federal, state and local level. I urge everyone to put their money where their heart is and support local businesses through this difficult time as we take steps today to protect and support local businesses here in New York.”

Senator Pete Harckham said, “The pandemic has decimated our small businesses and this package of bills will help to address the challenges they face. The substantial assistance that will be provided includes protections against small business evictions and foreclosures that will give cash-strapped businesses some breathing room. Meanwhile, a freeze on unemployment insurance costs and letting new part-time hires hang on to unemployment benefits will encourage job creation when we need it most.”

Senator Michelle Hinchey said, “Small businesses and their employees are critical to both our economic well-being and growth in New York State, but they are struggling to survive right now due to the COVID-19 pandemic. The package of bills we passed today extends needed protections that will help our small businesses stay in business and includes measures that will allow them to avoid layoffs, reduce expenses, and pause eviction and foreclosure proceedings. This is about supporting owners, workers, and their families and giving our

small businesses the greatest chance for recovery when we reach the other side of this crisis.”

Senator Brad Hoylman said, “According to recent reports, up to one-third of New York’s small businesses may not survive the COVID-19 pause orders. New York must aggressively assist these struggling enterprises. The package of legislation we are passing today will help keep money in the pockets of small businesses and restaurants while protecting them from eviction and foreclosure during the pandemic. I’m grateful to Senate Majority Leader Andrea Stewart-Cousins, Senate Committee on Commerce, Economic Development and Small Business Chair Anna Kaplan and all of my colleagues for their commitment to helping New York’s small businesses during this difficult time.”

Senator John Liu said, “Small businesses and their employees are the heart of our state's economy and their success is vital to our economic recovery. These bills will help our small businesses stay open by providing them with tenant protections, improving access to government aid, and making it easier for them to retain their employees. We will continue to look for more ways to help our small businesses and our State get back on track.”

Senator John Mannion said, “Helping small businesses get through the pandemic will benefit all of us because a strong economy is key to the state’s long-term recovery. No business should be forced to close or lay off workers because of COVID-19 restrictions. These bills will help secure jobs, support our entrepreneurs, and lay the groundwork for the brighter road ahead.”

Senator Rachael May said, “Small businesses everywhere are in crisis. The federal government has failed to provide relief that reaches Main Street, opting instead to allow aid designated for ‘small business’ to be awarded to large corporations and their CEOs. To propel us out of this recession, we need our true small businesses to survive and thrive. I’m proud to support this package of legislation and commit to pushing for more.”

Senator Zellnor Myrie said, “Before the pandemic, small businesses employed over three million people in New York City alone and represented the fastest-growing segment of the economy. And as many as one in three of these small businesses may close permanently as a result of the pandemic. The small business relief legislation passed by the Senate will help stabilize businesses and support them as they weather the storm.”

Senator Kevin Parker said, “Many small businesses have been greatly affected by this pandemic. It was imperative for us as lawmakers to pass legislation that will help provide a much needed relief for small business owners to operate during this time. Small businesses are the heart of our community and we must do all that we can to support them and ensure they can sustain their space and staff amidst Covid.”

Senator Elijah Reichlin-Melnick said, “COVID has dealt many small businesses a serious if not deadly blow, and so I’m proud to join my colleagues in the Senate in passing legislation to help them through these incredibly challenging times. If approved by the Assembly and signed by the Governor these bills will provide critical support to small businesses across the state.”

Senator Toby Ann Stavisky said, “We have asked our small businesses and especially our restaurants to make unprecedented sacrifices during the COVID-19 pandemic. The recent rollout of a vaccine is very encouraging, but we must stay vigilant. This legislative package protects small businesses, so they can continue to serve the community during what we hope is its final surge.”

Senator Kevin Thomas said, “Small businesses are the heart and soul of our communities. This legislation will provide the resources, relief, and protections needed to help them succeed and recover from the COVID-19 pandemic. New York State continues to lead the way in protecting small businesses during this public health crisis.”

New York State AFL-CIO President Mario Cilento said, “On behalf of the NYS AFL-CIO, I want to applaud the Senate Democratic Majority for including the needs of workers as part of the small business COVID recovery package. The partial unemployment insurance benefit will allow claimants to be eligible for assistance without losing a disproportionate share of their normal benefits if they accept part-time work. I thank Majority Leader Andrea Stewart-Cousins and Senator Jessica Ramos, the sponsor of the bill, for recognizing how critical it is to include help for workers when addressing the needs of small businesses.”

Heather C. Briccetti, Esq., President and CEO of The Business Council of New York State, Inc., said, “We strongly support the Senate’s legislation to provide relief to employers, especially small businesses, from dramatic increases in unemployment insurance taxes for 2021. We also lend our support to Senate legislation that modernizes the state’s unemployment insurance program to eliminate financial disincentives for part-time work. We believe this



legislation will help workers, families and employers alike as we move toward economic recovery. Many businesses in many sectors continue to face significant financial pressures from the COVID recession, and we look forward to working with the Senate on other critical relief and recovery legislation.”

32BJ President Kyle Bragg said, “We applaud the State Senate for passing reforms to provide meaningful access to unemployment insurance for partially unemployed workers. By updating the calculation of employment benefits, this reform helps partially unemployed workers meet their most basic needs and incentivizes more people to take part-time work. This is a welcome reform to support both working people and the New York economy through the pandemic and into recovery.”

Unshackle Upstate Spokesperson, Zach Sampson said, “We thank the members of the Senate Majority for advancing a freeze on the Unemployment Insurance Experience Rating. The last thing struggling employers need right now is to be hit with higher unemployment insurance costs. This bill will provide certainty and relief for tens of thousands of employers across New York during a critical time. We encourage leaders in the Senate and Assembly to advance additional pro-growth measures in the coming weeks.”

Make the Road New York Co-Executive Director Deborah Axt said, “We are thrilled to see the Senate acting to address one of the gravest problems with the state’s Unemployment Insurance system, which has been unjustly short-changing part-time workers. Right now, workers who get just a few hours or part-time work end up losing their entire Unemployment check, leaving them without the income to survive. Senator Ramos’s excellent bill will fix this problem. As that bill moves forward, we look forward to working with the Senate to solve another horrific problem with Unemployment Insurance - the exclusion of hundreds of thousands of workers from accessing any income relief whatsoever, just because of their immigration status or recent incarceration.”

Melissa Fleischut, President and CEO of the New York State Restaurant Association (NYSRA), said, “Over the past year, New York restaurants have been crushed by a pandemic that has threatened the survival of the entire industry. The legislation proposed today would provide much-needed relief where restaurants need it most — rent payments, fees and business relationships relating to delivery apps and other costs that are chipping away at any semblance of hope. The cries from small business owners across the state continue to echo the same message—relief is needed now. We applaud Senate Majority Leader Andrea

Stewart-Cousins, the sponsors of these bills and the State Senate for hearing those calls and stepping up and taking action.”

Kathryn Wylde, President and CEO of the Partnership for New York City said “The Senate has put forward a sensible package of initiatives that will help protect small businesses from further damage from COVID-19. The Partnership especially commends Senator Persaud for proposing to freeze unemployment insurance premiums and looks forward to working with Senator Kaplan on public-private initiatives to resolve back rent issues, now that her legislation provides the time for meaningful planning and intervention.”

Andrew Rigie, Executive Director of the NYC Hospitality Alliance, said, “New York’s restaurant and nightlife industry has been devastated by COVID-19 and this legislative package offers protections to small businesses by further protecting them from evictions by no fault of their own, prohibiting unfair business practices by certain third-party companies that exploit restaurants, extending alcohol to-go which has been a critical revenue stream, and additional important policies. We thank Senate Majority Leader Stewart-Cousins and all the sponsors and supporters for passing this legislative package, and we look forward to continuing to work with them to enact policies to help save our vital restaurant and nightlife industry, which is teetering on the edge of survival.”

Greg Biryła, NFIB’s Senior NY State Director said, “2020 has been a year of incredible uncertainty, anxiety, and economic distress for New York’s small businesses, the 4 million jobs they support, and the neighborhoods they sustain. While significant and unprecedented challenges remain, it’s encouraging that the Senate Majority is seeking to address these challenges at the very beginning of 2021’s legislative session. Every day we wait to protect against potentially catastrophic unemployment insurance tax increases or fail to provide meaningful assistance to industries hit hardest during COVID, we will continue to lose more of the small businesses that we love and that make our communities special. NFIB looks forward to working with Senate Democrats and Small Business Committee Chairwoman Anna Kaplan to advance and promote Main Street’s priorities.”

New York State Association of Counties Executive Director Stephen J. Aquario said, “The COVID-19 pandemic has impacted many parts of our economy. If our restaurants fail, we lose a critical local economic driver and employer. Counties across the state recognize the importance of our restaurant industry, and we applaud Senator Kavanagh and his colleagues for making this a priority this session. Counties lost nearly \$2 billion in sales tax revenue

from the economic pause, and we need to do everything we can to ensure our restaurants and small businesses survive this pandemic and thrive in its recovery.”

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