



NEW YORK STATE SENATOR

Patrick M. Gallivan

## Senator Gallivan Supports Bill to Protect Businesses from Higher Unemployment Rates

JIM RANNEY May 13, 2020

| ISSUE: [BUSINESS](#), [COVID-19](#); [UNEMPLOYMENT](#)

A screenshot of a website banner. At the top, there is a dark green navigation bar with white text: "Services", "Unemployment Insurance", "Find a Job", and "Manage Your Workforce". Below the navigation bar, the main content area has a dark background with a blurred image of a person's arm. The text "File a New Unemployment Insurance Claim" is written in large, bold, white font. Below this, in a smaller white font, it says: "Our online system has been improved to better serve New Yorkers. You may file an claim any day of the week from 7:30 AM to 7:30 PM."

Senator Patrick M. Gallivan (R-C-I, Elma) is co-sponsoring a bill (S.8249) that would protect businesses from being charged higher unemployment insurance rates after being forced to lay off workers because of the COVID-19 pandemic.

Under current law, an employer's experience rating determines their unemployment insurance rates. The higher the number of former employees collecting benefits, the higher

the contribution by the employer for unemployment insurance. Due to COVID-19, many small businesses have been forced to close or let employees go and face an uptick in their unemployment insurance rates in the future.

"It is simply not fair to penalize a business for having to lay off employees due to a global pandemic," Senator Gallivan said. "This bill provides that an employer's experience rating will not increase as a result of layoffs due to a mandatory government order to close. Not only must we continue to assist workers, we have to consider our small business employers and do everything we can to help them as we look to restart our economy."

Many of the businesses forced to close or layoff workers plan to reopen and hire back their employees as soon as possible.

The proposed legislation would amend the state's labor law to exclude unemployment payments associated with COVID-19 or another government mandated closure, from being used as part of the calculation of an employer's experience rating.

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RELATED LEGISLATION

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**2019-S8249**

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- Introduced
  - ◦ In Committee Assembly
    - In Committee Senate
  - ◦ On Floor Calendar Assembly
    - On Floor Calendar Senate
  - ◦ Passed Assembly
    - Passed Senate
- Delivered to Governor
- Signed By Governor
- 

Excludes claims for unemployment insurance arising as a result of an employer closing his or her business because of novel coronavirus COVID-19, from an employer's experience rating charges

April 27, 2020

In Senate Committee [Labor](#)

Sponsored by [Pamela Helming](#)

Do you support this bill?