



NEW YORK STATE SENATOR

Susan Serino

## SERINO AND COLLEAGUES SLAM STATE STUDY ON UNEMPLOYMENT RATE INCREASES

SUSAN SERINO June 29, 2020

| ISSUE: **CORONAVIRUS PANDEMIC; COVID-19; SMALL BUSINESSES; UNEMPLOYMENT**



HYDE PARK, NY— Senator Sue Serino today joined Senator Pam Helming and Senator George Borrello in demanding immediate help for struggling small business owners, who face increased unemployment insurance rates after government forced business shutdowns resulted in significant layoffs across the state.

Recently, the Governor issued an Executive Order authorizing the Department of Labor

Commissioner to issue a finding in relation to how unemployment experience rating charges were impacted by the federal Families First Coronavirus Response Act.

However, Senator Serino already co-sponsors legislation, authored Senator Pam Helming, that would remedy the problem caused by mass unemployment due to forced business closures, which Senate Democrats rejected outright in May when it was put on the floor as an amendment.

*Senator Sue Serino said, "This is a slap in the face to the thousands of small businesses throughout the state who went above and beyond to do their part to keep our communities safe and healthy. They don't need a study. They need immediate action and clear relief now. We have to set politics aside, do what's right, and help those who make our communities work."*

*"We do not need a study, we need action or our already struggling businesses might face closing forever. It is unfair to raise unemployment insurance on these small businesses when their employees were simply let go because the Governor forced their businesses closed. While the Senate played politics with my amendment, I hope they reconsider the hardship our businesses are facing and put this on the floor for a vote," said Senator Helming who is the Ranking Member on the Commerce, Economic Development, & Small Business Committee.*

*"More than half of the states in the nation have already declared that COVID-19-related layoffs will not be counted against employers for the purposes of determining their unemployment insurance tax rates. New York needs to step up join these states immediately; it is the only fair and reasonable response, given that the state's imposition of mandated business closures was the catalyst for employers' layoffs," said Senator George M. Borrello, who also co-sponsors the legislation. "A study will only cause harmful delay and confirm what we already know, which is that small businesses UI rates will increase significantly due to events completely beyond their control. Many are already hanging by a thread and need every bit of help we can provide in order to stay in business and rehire their employees."*

Because an employer's unemployment insurance payment is based on an experience rating, the more employees who collect benefits, the higher the contribution is from the business.

Serino and her colleagues have argued that the businesses impacted should not be further penalized for doing their part to help promote and protect public health. Specifically, because the business were mandated by the government to close, the bill would ensure that no impact is left on an employer's unemployment insurance payment if an employee's unemployment arose as a result of the pandemic.

The need for this measure was reiterated time and again throughout a recent joint hearing of the NYS Legislature that examined the impact of the COVID-19 pandemic on small businesses in the state. Similar initiatives have clear bipartisan support in both houses of the Legislature.

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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
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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?