



NEW YORK STATE SENATOR

David Carlucci

Carlucci & Zebrowski Call for Passage of Legislation to Prevent Unemployment Insurance Hikes on Small Businesses

SENATOR DAVID CARLUCCI July 16, 2020

| ISSUE: **UNEMPLOYMENT; SMALL BUSINESS; COVID-19; CORONAVIRUS**



(New City, NY) – Today, Senator David Carlucci (D-Rockland/Westchester) and Assemblyman Ken Zebrowski (D-New City) called for the passage of legislation (S.8231A/A.10297A) to help small businesses who had to layoff employees due to the COVID-19 pandemic. The lawmakers said their bill will ensure COVID-19-related layoffs will not be charged against employers for the purposes of calculating the experience ratings that determine unemployment insurance tax rates. Just the layoff of one employee could add more than

\$1,000 to a small business's quarterly tax payments in some cases.

Senator David Carlucci said, "Small businesses are the lifeline of our economy, and right now more than 50 million Americans are unemployed. Let's make it easier and not harder for our small businesses to retain employees and rehire employees. No small business should have to shut their doors for good because of crippling unemployment insurance rates caused by layoffs during the COVID-19 pandemic."

Assemblyman Ken Zebrowski said, "This bill will hold businesses harmless from COVID-19 layoffs. Unemployment rates are based in large part on an employer's history of layoffs, but these layoffs were unavoidable and a result of this unprecedented pandemic. If we do not act, businesses that were forced to close and lay-off workers are about to be hit with thousands of dollars in increased costs when their new unemployment rates reflect these layoffs. At a time when our businesses are struggling to get back up and running we need to do everything possible to assist them."

According to the National Federation of Independent Business (NFIB), New York's more than 4 million businesses employ half of the state's workforce and are responsible for half of its GDP. The NFIB believes Carlucci's and Zebrowski's legislation will be critical to ensure more businesses will be able to survive this crisis.

Greg Biryla, NFIB's New York State Director said, "In support of public health, small businesses across New York shut down their operations and were forced to reduce their workforces due to no fault of their own. Even after four months, the path forward for small businesses in the Hudson Valley and across the state is marked with new challenges and devoid of clarity. Even businesses who have restarted operations are doing so with new restrictions and uncertain consumer demand. New York State needs to be a leader in creating as stable an environment as possible to allow our local economies the opportunity to recover and

rebound. Freezing Unemployment Insurance premiums for lay-offs and furloughs related to COVID-19 is the right thing to do and will ensure small businesses aren't blindsided by increased costs and new taxes stemming from circumstances beyond their control. NFIB thanks Senator Carlucci and Assemblyman Zebrowski for their commitment to small business and look forward to advancing this legislation in the weeks ahead."

The legislation is currently in the labor committee.

RELATED LEGISLATION

2019-S8231A

- 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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Prohibits the inclusion of claims for unemployment insurance arising from the closure of an employer due to COVID-19 from being included in such employer's experience rating charges

April 27, 2020

In Senate Committee [Labor](#)

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Do you support this bill?