



NEW YORK STATE SENATOR

Patrick M. Gallivan

## Senator Gallivan Urges State to Preserve Jobs by Pausing Minimum Wage Increase

JIM RANNEY December 10, 2020

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Senator Patrick M. Gallivan (R-C-I, Elma) and members of the Senate Republican Conference today called in a letter to Governor Andrew Cuomo for a pause to the minimum wage increases on Long Island, Westchester, and areas outside of New York City on December 31.

Small and medium-sized businesses across New York State face unprecedented challenges this year, and are struggling to keep their doors open while keeping their employees on the

payroll. In order to keep employees and customers safe, these struggling businesses have made significant investments, but they are barely making it.

“Many of our small businesses are having a hard time simply trying to stay open and keep their workers employed,” Senator Gallivan said. “Any additional costs in the midst of this pandemic may force some businesses to lay off workers or to close their doors for good. I urge the governor to put a temporary hold on the minimum wage increase.”

The National Federation of Independent Businesses (NFIB) found that 90% of small businesses which received Paycheck Protection Program (PPP) loans have entirely spent down those funds and are ready to begin the loan forgiveness process. The federal loan program was created to keep employees on the payroll, but even with this assistance and other programs, NFIB says 20% of small businesses believe they will shut down within six months. About 19% believe they will close within a year.

The scheduled increase to the minimum wage could make this crisis worse. However, the law allows for the temporary suspension of the increases based on a report and recommendation from the Governor’s Director of Budget. Postponing the increases until small and mid-sized businesses are on a sturdy financial footing post-pandemic will save jobs across the state.