



NEW YORK STATE SENATOR

Daphne Jordan

Senator Daphne Jordan and Senate Republicans Unveil Plan to Reset NY's Restaurant & Hospitality Industry

DAPHNE JORDAN January 26, 2021

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The COVID-19 pandemic has presented unique challenges for all New Yorkers and crippled our economy - in particular our restaurants and hospitality businesses in New York State. Hundreds of thousands of New Yorkers work in this industry, including many hourly and tipped wage employees, and wait staff, bartenders, and hotel workers have counted heavily toward the state's skyrocketing unemployment numbers since the onset of the pandemic last year. State coffers have also suffered, as the hospitality industry is the number one source of sales tax revenue in New York City, and number two in the state.

“New York’s restaurant and hospitality industry is facing staggering financial challenges caused by COVID-19 and the economic closures. Our package of legislation will provide much-needed assistance to these sectors that employ tens of thousands of New Yorkers and are vital small businesses that support local communities. One of the bills featured in our package, my ‘Save Our New York State Restaurants Act,’ is bipartisan legislation that would create a 30-day sales tax exemption for food and drinks sold at restaurants and taverns to bring attention and business to our restaurants and also bring in customers that may not have otherwise planned on eating out. Restaurants and taverns need the state to step up and deliver this much-needed support and assistance now before they are forced to close their doors forever and cost our economy even more jobs,” **said Senator Daphne Jordan.**

“Unfortunately, our Governor does not seem to understand how important these restaurants, hotels, and their employees are to making our economy function. Using his executive authority, the Governor has put extremely damaging and burdensome restrictions on the industry without outlining any plan for how government will help reverse the damage it created. The Senate Democrats have been a voiceless non-entity in this situation, devoid of any plan of their own or proactive initiative to help. It’s high time state government – including the State Senate – roll up our sleeves and begin to restart, rethink, and renew our commitment to restaurants and hospitality businesses to make our State thrive again,” **said Senator George Borrello.**

The cornerstone of the package of legislation advanced by the Senate Republicans today includes a comprehensive bill, **sponsored by Senator Borrello**, to provide relief to business owners and employers affected by the COVID-19 pandemic. **The bill would:**

- Exempt small businesses from being penalized with higher unemployment insurance rates due to layoffs resulting from COVID-related, government-mandated closures. The exemption would extend for a period of one year from when they are permitted to return to full capacity;
- Prohibit internet-based food delivery services from charging higher fees than they charged on or before March 1, 2020;
- Provide small businesses additional time to pay monthly sales and payroll taxes, as well as, business and property taxes;
- Offer interest-free loans or lines of credit to small businesses;
- Provide a one year extension for renewal of liquor licenses; and
- Provide businesses a 90 day grace period to pay any fees or penalties due to state and local agencies.

Also included in the plan announced by the Senate Republican Conference were pieces of legislation that would:

- Direct SLA-inflicted fines into a business relief fund to help small businesses get back on their feet (**Senator Mike Martucci**);
- Provide for a credit on liquor license renewals for the amount of time bars and restaurants were forced to be shut down due to the COVID-19 pandemic (**Senator Joseph Griffo**);
- Create a limited state sales tax exemption for the sale of food and drink at restaurants and taverns from state sales and compensating use taxes and granting municipalities the option to grant such limited exemption (**Senator Daphne Jordan**);

- Provide a tax check off box that will direct funds into a business relief fund (**Senator Mario Mattera**); and
- Create an employee retention tax credit, modeled after the Federal Employee Retention Credit, to help employers keep workers on payroll (**Senator Peter Oberacker**).

“This package of legislation includes necessary measures to help our restaurants and hospitality industry get back on their feet after the sharp declines in revenue they’ve suffered as a result of the pandemic and bad policy. Without assistance, too many of our small businesses are going to be forced to close their doors for good – the state needs to act quickly to provide relief,” **said Senator Borrello.**

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