



NEW YORK STATE SENATOR

Robert G. Ortt

## Senate Republicans Discuss Plan To “Reset NY’s Restaurant & Hospitality Industry”

ROBERT G. ORTT January 29, 2021

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**Today, New York State Senators Rob Ortt, George Borrello, and Ed Rath** shared a package of legislation to help “Reset New York’s Restaurant and Hospitality Industry.”

The COVID-19 pandemic has presented unique challenges for all New Yorkers and crippled the state’s economy, particularly the 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.

**Senate Republican Leader Rob Ortt (R,C,I-North Tonawanda) said,** "Owners of restaurant and hospitality establishments have had their livelihoods threatened, and for many, taken away due to the COVID-19 pandemic. Thus far, New York State has failed to adequately assist these businesses with the devastating financial impacts they have faced. We can no longer neglect such a significant portion of our New York State economy and an industry that's currently suffering directly due to the ongoing pandemic. New York State must step in and help remedy the issues that the restaurant and hospitality industry of our state is facing through no fault of their own. This package of bills should be welcomed by all legislators and have overwhelming bipartisan support."

**Senator George Borrello, 57<sup>th</sup> District, said,** "The economic challenges faced by the restaurant and hospitality industry during the pandemic have been extraordinary, far outweighing those of other industries. I understand those struggles because I live them as a restaurateur and small business owner myself. Yet, from day one, the determination of my peers in the restaurant community and their hardworking employees has been exceptional, as they adapted and innovated to meet every new obstacle and guideline. The Glen Park Tavern here in Williamsville is an impressive example of that resilience and one that is mirrored by restaurants in my district and across the state. We've helped and learned from each other throughout this crisis. However, our restaurants, which are so important to the vitality of our communities, have suffered incalculable financial losses. It is our responsibility and mission as a Conference to help them recover. The package of legislation we are advancing is key to that goal. It has the targeted financial assistance and regulatory relief this industry

needs to survive and thrive again.”

**Senator Ed Rath, 61<sup>st</sup> District said,** “It is no secret that the pandemic has badly damaged our local economies. We have an obligation to help our struggling restaurants and small businesses. These bills being proposed would help to alleviate some of the burden currently being felt. If we do not act, we will continue to see business after business close and that is simply unacceptable.”

**Senator Patrick M. Gullivan (R-C, Elma) said,** “The restaurant and hospitality industry has been hit especially hard by pandemic-related restrictions. Thousands of hard working restaurant and hotel employees have lost their jobs and many restaurant owners and hotel managers have been forced to limit operations or close completely, through no fault of their own. As we continue to confront this public health crisis and look to reopen our economy, we need to provide relief and assistance directly to these small businesses, and in-directly to their employees and the communities they help support. This package of legislation will do that.”

**Ellie Grenauer, Co-owner of the Glen Park Tavern said,** “The Glen Park Tavern has been a bustling tavern since 1887. The Grenauer's and Robshaw's have kept this local gem going since their purchase in 1999. The COVID-19 pandemic has hit our industry so hard. We have been one of the fortunate restaurants who have been able to remain open and support our staff and their families...but just barely and at our personal expense and financial loss. The bill that is being sponsored by Senator Borrello offers real solutions to assist us in struggling back from the financial hurricane we have been struck with. I see it as a bipartisan compromise that would offer assistance to our sinking industry. Thank you for your assistance.”

The cornerstone of the package of legislation advanced by the Senate Republicans 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**).

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