



NEW YORK STATE SENATOR

John J. Flanagan

## Senate Democrats Reject Republican Efforts To Help Small Business

JOHN J. FLANAGAN May 28, 2020

| ISSUE: [SENATE REPUBLICAN CONFERENCE](#), [SMALL BUSINESS](#), [UNEMPLOYMENT](#), [COVID-19](#)



The New York State Senate Republican Conference proposed an amendment to aid struggling small business owners, who now face increased unemployment insurance rates after government forced business shutdowns resulted in layoffs.

**Senate Democrats rejected the proposal.**

Unemployment in New York now stands at 14.5% statewide, according to New York Department of Labor statistics for April. It is as high as 19.2% in the Buffalo-Niagara region.

The proposal, sponsored by Senator Pam Helming, would have left no impact on an employer's unemployment insurance payment, which is based on an experience rating. When more employees collect benefits, the higher the contribution is from the business.

To help keep businesses financially afloat in the future, this amendment would have excluded claims from an employer's unemployment insurance experience rating charges if an employee's unemployment arose from the COVID-19 pandemic.

"Small businesses are the backbone of our economy and we must do everything we can to help them get through this difficult time caused by forced business closures. If we want our businesses to be able to open again, rehire workers, making this common sense adjustment to their unemployment insurance is the right thing to do. Senate Democrats put politics before what's right," said Senate Republican Conference Leader John J. Flanagan.

"Whether it's agriculture, manufacturing, main street retail stores, healthcare, education, local government, or our important tourism industry, every sector has been hit hard by the COVID pandemic. Local businesses are at or past their breaking point and this week in Albany, the Senate Majority did nothing to ease their burdens. Instead, the Majority voted against an amendment that would have reduced unemployment insurance costs for job creators. Instead of providing assistance to allow small businesses to more easily get back up and running, the Majority is talking about more taxes and mandates. If we want NY to safely open back up for business, then we must lead by example and enact common sense reforms that reduce the cost of operating here so companies can get their employees back on the job, grow and succeed," said Senator Helming.

"Many small businesses across the region I represent and statewide have been devastated by this pandemic. We know it is going to require a steady and sustained effort, at every level of government, to help this foundation of our local economies find solid ground again. The

Phase Two reopening starts on Friday, yet the Cuomo administration still has not provided a detailed list of what types of small businesses will be allowed to reopen in order to give them time to get ready. Now the Legislature's return to session this week is noteworthy for its lack of any meaningful mandate, regulatory, or tax relief for small businesses. In our individual discussions with many small business owners and local economic development leaders, we understand the overall state-level strategy that is going to be necessary. The governor and legislative leaders are missing opportunities to start taking steps toward a broader and faster economic recovery,” said Senator Tom O’Mara.

“As we safely reopen New York’s beleaguered economy so people can get back to work and help small businesses, which have been hammered during this crisis, rebound, we need to remove the obstacles that harm our small businesses and impede job growth,” said Senator Jim Tedisco.

“The legislature’s return to Albany was a missed opportunity. Small businesses shuttered due to the COVID-19 pandemic, along with their employees, were counting on us to come through for them. Unfortunately, real solutions were dismissed by Senate Democrats and bills to help businesses reopen and rehire workers were ignored,” said Senator James L. Seward.

“Our small businesses are struggling like never before because of the state government’s forced shutdown. Requiring small businesses to now face increased unemployment insurance rates is yet another painful body blow to the very same job creators we need up and running at full capacity so folks can get back to work. I supported our amendment that would have excluded claims from an employer’s unemployment insurance experience rating charges if an employee’s unemployment arose from the COVID-19 outbreak. As a former small business owner, I know that our amendment was a smart solution that would have helped small businesses. Unfortunately, the Senate Democratic Majority opposed our

measure and, in doing so, will increase the costs borne by small businesses. Count this as yet another missed opportunity by Senate Democrats to help small businesses,” Senator Daphne Jordan said.

“Small businesses that were forced to shut down and lay off employees have taken a devastating economic hit, and we need to do everything possible to help them get back on their feet because if our small businesses can’t recover, our overall economy can’t recover. This amendment would have provided relief from rising unemployment insurance costs, and I’m disappointed the Majority rejected it,” said Senator George Amedore.

“Our small businesses are the lifeblood of our communities and they have been among the hardest hit during this tough time. They have done their part to keep our communities safe and healthy and now it’s time for the state to do its part to remove any obstacles that impede their ability to rep-open safely and successfully. This common sense amendment is one that hardworking New Yorkers across the state are calling for, and it is absolutely shameful that the Legislature put politics over people when they refused to advance it. We have to set politics aside, do what’s right, and help those who make our communities work,” said Senator Sue Serino.

“Businesses trying to survive through this global pandemic should not be penalized for having to lay off employees. This bill provides that an employer’s experience rating will not increase as a result of layoffs due to a mandatory government order to close. Not only must we continue to assist workers, we have to consider our small business employers and do everything we can to help them as we look to restart our economy,” said Senator Patrick Gallivan.

“Our small-business owners are in the fight of their lives, yet Senate Democrats continue to ignore them. Thousands of small businesses have been forced to close their doors for good

due to government-mandated shutdowns, and thousands more are on the verge of closing. Unfortunately, Senate Democrats have shown that their priorities do not lie with small-business owners, and they refuse to provide any economic or financial relief to our state's job creators. We can't reopen our doors, we can't get people back to work, and we can't fund vital government services if we don't discuss the insurmountable costs to New York's small-business community," said Senator Rob Ortt.

"Small businesses are the engine of New York's economy, but right now many of them are on life support, thanks to government mandated closures that have left them without revenue and a growing pile of bills they are unable to pay. Senate Republicans have a host of measures that would provide relief to these valued employers, including the amendment we advanced this week that would prevent the unemployment rates of small businesses from spiking as a result of COVID-related layoffs. Regrettably, the Senate's New York City-controlled leadership chose to reject extending this help, and in so doing, have turned their backs on these small businesses and those who depend on them for their livelihoods and paychecks. With our economy sinking farther each day, their actions are indefensible," said Senator George Borrello.

"As a small business owner, I recognize the challenges and struggles small businesses are facing right now. We need to do all we can to help our business owners during this extremely trying time. To reject this proposal is to deny help to the businesses that make up our communities," said Senator Mike Ranzenhofer.

"State government forced small businesses across New York to shut down and lay off employees resulting in record high unemployment, particularly upstate. With record high unemployment comes record high experience ratings and record high unemployment insurance costs for employers with no revenue. It was callous of the majority to deny the very businesses that are the backbone of our economy this relief," said Senator Chris

Jacobs.