

In Response To Continued Economic Losses During Pandemic, Senate Deputy Leader Gianaris Introduces Legislation Protecting Commercial Tenants

MICHAEL GIANARIS February 25, 2021

| ISSUE: SMALL BUSINESS, COMMERCIAL RENT, PERSONAL LIABILITY LEASES, TENANTS, COVID-19



NEW YORK – Senate Deputy Leader Michael Gianaris announced new legislation (S.5144) aimed at protecting commercial tenants. Working with local small business owners, Senator Gianaris introduced this legislation to protect commercial tenants from having personal liability provisions in leases invoked if they were forced to close during the covid-19 pandemic. Similar provisions are already in place in New York City.

"Small businesses are the backbone of our communities and have suffered tremendously during the pandemic," said **Senate Deputy Leader Michael Gianaris.** "We must do what we can to keep these neighborhood institutions alive while we fight for federal and state relief these businesses deserve."

Leases with personal liability provisions hold business owners personally liable when they are not able to pay rent, and are common for many small businesses. Senator Gianaris' legislation suspends those clauses in leases for businesses that were shuttered due to government mandates related to the covid-19 pandemic.

Senator Gianaris' legislation was drafted after working with Kambri Crews, owner and operator of Q.E.D., a comedy and entertainment venue in Astoria, Queens, who holds this type of lease.

Kambri Crews of QED, said, "The COVID-19 pandemic has been devastating to small businesses and the communities they serve, but we're in the home stretch. Personal liability protections will grant small business owners the confidence to focus on rebuilding businesses and communities without the fear of utter financial ruination looming over them. If personal liabilities aren't protected then many business owners, myself included, will have to close their doors to protect themselves and their families. This protection will keep business owners invested in their communities without the worry of personal financial devastation due to events entirely beyond their control."

Senator Gianaris' legislation expands on a bill written by New York City Council Member Carlina Rivera and passed last year by the Council to protect commercial tenants. If passed, this relief would be available statewide.

Council Member Carlina Rivera, author of New York City's personal liability suspension law said, "Small business owners put their heart and soul into their enterprises and our community depends on them. No one should fear a landlord going after their personal savings to during this pandemic. I was proud to enact a law like this on the city level, and I am pleased to support Senator Gianaris as he leads this effort statewide."

The bill is cosponsored by Senators Samra Brouk, Andrew Gounardes, and Robert Jackson. It is currently in the Senate Judiciary committee.

2021-S5144

- Introduced
- o In Committee Assembly
 - o In Committee Senate
- o On Floor Calendar Assembly
 - o On Floor Calendar Senate
- o Passed Assembly
 - Passed Senate
- Delivered to Governor
- Signed By Governor

Relates to personal liability provisions in certain commercial leases

February 25, 2021

In Senate Committee Judiciary

Sponsored by Michael Gianaris

Do you support this bill?