



“**JUMP-START** NEW YORK”

*A Blueprint to Facilitate the Recovery
of New York State’s Economy*



NEW YORK STATE ASSEMBLY REPUBLICAN CONFERENCE

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The COVID-19 pandemic has hit New York State harder than anywhere in the world. With more than 200,000 confirmed cases, the outbreak threatens human lives, causes widespread business closures and layoffs, and has sent our State economy into a downward spiral.

We are in the fight of our lives. But it's a fight we are determined to win.

The Assembly Minority Conference recognizes that communities and small businesses need help now, and decisive steps must be taken to facilitate a robust, region-by-region recovery.

To that end, we have put together a plan to assist New York's working men & women, small businesses, and job creators. Our **“Jump-Start New York”** initiative provides a blueprint for economic relief in the short term and much-needed stability in the long term. New York is home to more than 600,000 small businesses, which employ approximately 4.2 million people. The economic health of New York State hinges on the success and prosperity of the small business community.

There is no question that the scale and severity of our current fiscal condition is dire, and business owners are feeling tremendous pressure.

According to a recent survey by the National Federation of Independent Business (NFIB), 92 percent of small businesses have been negatively impacted by the COVID-19 outbreak. Roughly 50 percent of small employers believe they will be able to survive only another two months without some sort of help.

We want New York State's business owners & employees to know that help is on the way. When we emerge from today's uncertain times, job-creators must return to an improved business climate that eliminates any obstacles to a full recovery.

Through federal and state actions, **“Jump-Start New York”** will offer financial relief and protections to small businesses and their employees. It will remove costly regulatory burdens that stifle growth, and open doors for employers to receive critical assistance allowing them to survive and succeed.

Together, the steps we take right now will protect the State's businesses and secure a brighter future for 19 million New Yorkers.



State Actions to Jump-Start New York

1. Reevaluate non-essential businesses that could remain open and maintain proper social distancing practices immediately. Many big box stores that have multiple marketing aspects (grocery, hardware, gardening, household products, appliances, etc) are considered to be essential and have been given preferential treatment compared to small specialty stores that offer similar or comparable single markets and have been deemed non-essential. A list of these best practices and a comprehensive list of all essential businesses should be posted on all major agency sites providing assistance to businesses and employees.

2. Extend and/or waive State regulations that have been enacted by Executive Orders during the declared State of Emergency for an additional year to help bridge the rebuilding of the economy once the emergency period has been lifted. Examples include:

- ➡ Allowing retail on-premises licensees to sell alcohol for off-premises consumption with take-out or delivery orders;
- ➡ Allowing additional telehealth provider and other types of practitioners to deliver service;
- ➡ Allowing for utilizing audio-video technology for notary services;
- ➡ Allowing individuals and businesses licensed by the Department of State to extend the expiration of their license;
- ➡ Allowing manufacturers, retailers, installers, and mechanics currently certified to continue to renew their license if continuing education requirement cannot be met; and
- ➡ Waiving the earnings limitations for retired public retirees returning to work.

3. Suspend fees for occupational licenses for one-year following the end of the emergency period.

4. Provide Businesses and Not-for-Profits Recovery Loans. New York State is home to 608,351 small businesses, which employ 54% of the State's workforce. We should immediately create the New York State Business and Not-for-Profit Recovery Loan Program under Empire State Development to help these businesses.

5. Utilize Regional Economic Development Councils for Disaster Recovery instead of general economic development purposes. The regional councils could be essential in our efforts to identify regional needs to reboot the local economy, as needs will vary throughout the State. Consolidation Funding Applications (CFA) should be used to help funnel State money for immediate relief and long-term recovery efforts at the local level.



6. Use any unallocated State settlement money to provide immediate cash needs for non-essential businesses to reengage in the economy and for local Regional Economic Development Councils for local recovery efforts.

7. Repurpose and utilize capital programs to jump-start the economy. When State capital funding becomes available it should be repurposed to rebuild NY's economy. The funding that could be repurposed for this stimulus includes: State and Municipal Facilities, NYS Special Infrastructure, REDCs, NY Works Economic Development Fund, and START-UP-NY benefits.

8. Expand Eligibility for the Film Tax Credit for Business Relief to non-essential businesses and sole proprietors. Any unallocated credits under this program during the COVID-19 pandemic may be used for non-essential businesses and sole proprietors that do not have access to unemployment benefits and will have had to endure a significant period of lost income.

9. Implement all provisions of the "Small Business Emergency Recovery Act of 2020" (A.10266).

10. Increase rural internet accessibility to ensure equality in access to telehealth, remote learning, and work-from-home capabilities.

11. Delay Farm Worker Fair Labor Practices Act implementation for one-year after the emergency period expires.

12. Increase the CHIPS competitive bid threshold from \$350,000 to \$750,000.

The Enacted budget raised the bid threshold from \$250,000 to \$350,000, this proposal would increase the threshold to \$750,000. Municipalities would be permitted to perform such work either with the municipality's workforce or by contract let by competitive bid. Also increase competitive bid thresholds for municipalities and school districts for one year.

13. Minority and Women-Owned Business Enterprise reforms to require contactors to hire MWBEs at a rate that correlates with the percentage in their economic development region. Similar to A.1237 (Crouch).

14. Adjust all State Tax Filing dates to Align with Federal Tax Filing Dates. The federal government recently delayed numerous business tax filing dates. New York State should delay and mirror the federal government to provide greater flexibility to business owners so they may better manage their financial obligations.



Federal Actions to Jump-Start New York

1. 30-Day Federal Stimulus Distribution, federal money provided to businesses and individuals must be distributed within 30 days of any stimulus bill passage. It is important for these businesses and individuals to receive immediate cash needs to help maintain the economy during the emergency period. Further, in order to bridge the gap between the declared emergency period and when the emergency period is deemed over, the federal government should extend the benefits provided for an additional year. This would allow non-essential businesses and the economy time to recover from the COVID-19 pandemic.

2. Direct Federal Stimulus Aid to Local Governments and School Districts, future federal stimulus money should be provided directly to local governments and school districts for property tax relief and sales tax, to offset increased costs and loss of revenue associated with COVID-19.

3. Cap Unemployment Insurance Premiums, the federal government should hold businesses harmless on any increases businesses must pay into the Unemployment Insurance system. It would be unfair for businesses to pay higher Unemployment Insurance premiums following the COVID-19 pandemic when many of these non-essential businesses were forced to close their doors, lay off employees, and receive no profits at this time. Once non-essential businesses are allowed to reopen, they may be more inclined to use their future profits to hire their employees back, if they did not have to worry about paying higher insurance rates in the future.

4. Expand the Zero-Percent Interest Rate to all Small Business Administration Loans similar to the Paycheck Protection Program (PPP) loans. All loans provided should be zero percent interest to the recipient with set interest paid by the federal government. A portion of the loan should be forgiven if 2019 employment levels are maintained.

5. Include Stimulus for Non-Essential Sole Proprietors and LLCs in the next COVID-19 relief plan, which provides relief to non-essential small businesses and LLCs that is similar in effect to unemployment benefits – a weekly payment to help offset lost income. This program would be targeted at those non-essential sole proprietorships and LLCs that are unable to seek relief under existing programs, such as loans through the Small Business Administration or unemployment.

