

DRAFT LBDC

A BUDGET BILL submitted by the Governor
in accordance with Article VII of the Constitution

AN ACT to amend the labor law, in relation to prohibiting the inclusion of claims for unemployment insurance arising from the closure of an employer due to COVID-19 from being included in such employer's experience rating charges; and to amend chapter 21 of the laws of 2021, amending the labor law relating to prohibiting the inclusion of claims for unemployment insurance arising from the closure of an employer due to COVID-19 from being included in such employer's experience rating charges, in relation to the effectiveness thereof (Part __);

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 PART __

2 Section 1. Subdivisions 3 and 4 of section 581-a of the labor law, as
3 amended by chapter 21 of the laws of 2021, are amended to read as
4 follows:

5 3. Notwithstanding the provisions of section five hundred eighty-one
6 of this title to the contrary, and for the purpose of responding to the
7 COVID-19 pandemic, any employer whose employees receive payments under
8 this article [and whose claims for unemployment insurance arise due to
9 the closure of the employer or a reduction in the workforce of the
10 employer for reasons related to the COVID-19 pandemic, or due to a
11 mandatory order of a government entity duly authorized to issue such
12 order to close such employer due to the COVID-19 pandemic,] for unem-
13 ployment claims made on or after March [twelfth] ninth, two thousand
14 twenty and through the duration of the state disaster emergency declared
15 by executive order number two hundred two of two thousand twenty and any

1 further amendments or modifications thereto, shall not have included in
2 their experience rating charges the amounts so paid to the employees
3 from the fund. Such charges, if not reimbursed, in whole or in part by
4 the federal government, shall be made to the general account for the
5 fund created by section five hundred fifty of this article.

6 4. The provisions of this section shall apply to an employer liable
7 for contributions or payments in lieu of contributions, but if the
8 secretary of labor of the United States finds that their application to
9 such employer does not meet the requirements of the Federal Unemployment
10 Tax Act, such provisions shall be inoperative with respect to such
11 employer, unless and until such finding has been set aside pursuant to a
12 final decision issued in accordance with such judicial review
13 proceedings as may be instituted and completed under the provisions of
14 section thirty-three hundred ten of the Federal Unemployment Tax Act.

15 § 2. Section 2 of chapter 21 of the laws of 2021, amending the labor
16 law relating to prohibiting the inclusion of claims for unemployment
17 insurance arising from the closure of an employer due to COVID-19 from
18 being included in such employer's experience rating charges, is amended
19 to read as follows:

20 § 2. This act shall take effect immediately [and shall expire December
21 31, 2021, when upon such date the provisions of this act shall be deemed
22 repealed].

23 § 3. This act shall take effect immediately.