
Empire State Restaurant & Tavern Association

Report From The Executive Director...Scott Wexler

April 2020

We're Here for You - It's been barely two weeks since our last update and so much has changed. We know the struggles you're facing – both short and long term – and are doing all we can to help steer you out of this darkness. Our focus has been two-fold: advocate for policies to help you survive this crisis and get you as much information as possible so you have the tools to help you survive. In this ever-changing environment the most up-to-date information will always be available on our website, www.esrta.org, but we summarize the most important information for you below.

Feds Enact CARES Act - The U.S. Senate and the U.S. House of Representatives passed and the President signed the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), a \$2.2 trillion stimulus package designed to mitigate the effects of the novel coronavirus ("COVID-19"). The legislation includes relief for businesses and individuals, assistance to states, and key protections for workers. At \$2.2 trillion in emergency stimulus aid, the bill is the largest emergency stimulus package in United States history. The CARES Act provides, among other things, economic assistance to millions of Americans and small and distressed businesses. For businesses, the legislation:

- Establishes a \$350 billion loan guarantee program to help small businesses keep employees on the payroll and cover necessities such as rent and utilities. If certain conditions are met, the loans are forgivable; and
- Extends \$500 billion in loans and loan guarantees to blunt the coronavirus' economic impact, including \$454 billion to businesses, states, and cities especially impacted by the coronavirus and not receiving loans through other provisions in the Act; \$50 billion to passenger airlines; and \$17 billion to businesses in the national security industry.

The \$350 billion loan program, known as the Paycheck Protection Program, provides 100% federally guaranteed loans to small businesses. The loans will be available through local lenders and administered by the Small Business Administration. The Treasury Department has released initial guidelines regarding the loan program. We've included an information sheet for borrowers for your review. **Borrowers can begin submitting applications on April 3rd.**

SLA Grants Our Requests to Provide Relief for Retailers - The New York State Liquor Authority took several actions at its March 24th meeting to provide economic relief for alcohol beverage retailers suffering hardship as a result of the Covid-19 pandemic:

Renewals – The SLA is waiving the requirement to submit renewal fee payments along with renewal applications for the next 60 days. Retailers are still required to submit their renewal applications on a timely basis. Any retailer submitting a renewal application without paying the required fee during this time frame will have their current license stay in effect until the renewal fee is paid. Once the renewal fee payment is made the new license will be mailed to the licensee.

Penalties – The Liquor Authority is continuing to enforce the law and assess penalties against licensees for failing to comply with the law, however they have decided to delay sending out penalty letters for the next 60 days.

Price-Posting – The Authority is opening up this month’s price posting this week to allow wholesalers to reduce prices or increase discounts. No price increases will be permitted as part of this one-time price change. The SLA has posted an Emergency Reopening of Price Posting Module Notice to explain this change.

Municipal Notices – For municipal notices required to be filed as part of SLA applications where the municipality is only accepting electronic documents, the SLA will accept an email from the municipality acknowledging receipt of the notice.

These changes took effect immediately once approved at the SLA’s Board Meeting on March 24, 2020. We had petitioned the SLA to allow for deferred payments for renewal fees and penalties so we’re pleased to see they granted those requests. These are small steps that can help reduce the financial drain on your business while we wait for the federal government to produce a significant small business relief plan – one that put cash in your hands now to help keep the lights on.

Property and Casualty Insurance Premiums Waived for Small Businesses - New York ordered property and casualty insurers to waive premiums for small businesses and consumers. The Department of Financial Services directed property and casualty insurers to provide a 60-day grace period to small businesses and consumers financially affected by Covid-19. In the same regulation, it ordered life insurers regulated by the state to allow consumers to defer paying premiums for 90 days.

The emergency regulation enacts directions from an executive order Gov. Andrew Cuomo signed. It offers relief for small businesses which have been slammed amid the Covid-19 crisis. The executive order mandates insurers to allow deferred payments to be paid back in the year following the grace period and not to report any late payments to credit-rating agencies. It also calls on premium finance agencies to offer the same grace periods to businesses and consumers who financed payments on their premiums.

Expiring Drivers Licenses - By Executive Order, Governor Cuomo has temporarily extended the validity of all New York State driver’s licenses and non-driver ID cards that expire on or after March 1, 2020. Therefore, a New York State driver’s license or non-driver ID that, in all other respects, shows the person to be at least 21 years old but is past the expiration date, it is considered a valid ID and you can rely on it for purposes of verifying the age of a tobacco or beer customer.