FY 2022 New York State Budget: Business Assistance Highlights

Southern Tier REDC Meeting – May 26, 2021, 9:00 AM
Federal relief for small businesses, restaurants and shuttered venues
$780 Billion+ to Impacted U.S. Small Businesses

- Loans of up to $10 million for first time PPP borrowers and second draw loans of up to $2 million for previous PPP borrowers.
- Eligible expenses: Payroll, interest on mortgages, rent, insurance, paid sick or medical leave, utilities, and others.
- Partially or fully forgivable and 100% Federally guaranteed.
- Loans nearly exhausted; most remaining are at community lenders.
$28.6 Billion to Impacted U.S. Food Service Businesses

• Funding equal to pandemic-related revenue loss, $5 million per location ($10 million cap per business).

• Recipients are not required to repay funding, if used for eligible purchases prior to March 11, 2023.

• Funding is available now for food service businesses, including restaurants, caterers, bakeries, bars, food trucks, and others.
U.S. SBA - Shuttered Venue Operator Grant Program

$16 Billion to U.S. Shuttered Venue Operators

• Grants cover 45% of gross earned revenue, $10 million cap

• Must have been in operation as of February 29, 2020

• Funding is available now for many businesses, including: Live venue operators or promoters; Theatrical producers; Live performing arts organization operators; Museum operators; Motion picture theater operators (including owners); and talent representatives.
Existing ESD programs include tax credit programs (e.g., Excelsior, START-UP NY), loans and grants.
$800 Million for a new, one-time COVID-19 Small Business Recovery Grant Program
Pandemic Small Business Recovery Grant Program

$800M Flexible Grant Funding to Impacted Small Businesses

- Retrospective focus – cover COVID-related losses (3/1/20 – 4/1/21).

- Flexible funding – cover rent, payroll, supplies, PPE, etc.

- Assist micro-businesses, economy and socially disadvantaged.
Pandemic Small Business Recovery Grant Program

$800M Flexible Grant Funding to Impacted Small Businesses

• Grants, services, expenses to viable NYS small businesses, including microbusinesses, and for-profit arts and cultural organizations

• Businesses must demonstrate COVID-related losses, and be unable to obtain sufficient Federal funding

• Funds will also be used to help maximize small business access to Federal Funding by providing technical assistance
$148 Million to Support the Arts
Arts and Cultural Organizations

Grants and Tax Credits to Restart the Economy

1) New York City Musical and Theatrical Production Tax Credit ($100M)
   • Two-year program, covers qualified production costs, benefit cap is $3m in first year, $1.5M in second year, unless ESD and DOB determine that the NYC has not sufficiently rebounded

2) Empire State Musical and Theatrical Production Tax Credit ($8M)
   • Extend and Enhance the Musical and Theatrical Production Credit for Four Years: In order to support musical and theatrical productions that occur in the State but outside of New York City, the Budget extends this credit for four years through 2025 and increases it by $4 million to $8 million.

3) Arts and Cultural Organization Recovery Grant Program ($40M)
   • Grants through the New York State Council on the Arts to eligible arts and cultural nonprofit organizations to assist in the recovery from the COVID-19 pandemic.
$60 Million in Targeted Assistance to Restaurants
Support for Restaurants

$60M to Rehire Restaurant Workers and Support Communities

1) Restaurant Return-To-Work Tax Credit ($35M)
   • Must be a small restaurant, either in NYC or an area deemed an Orange/Red Zone for 30+ consecutive days. $5,000 cap per new worker, $50,000 cap per business.
   • Must demonstrate YTY losses of 40%+, must hire 1+ worker, must be an in-person business
   • “Fast Track” option to claim the credit before end-of-the-year

2) Restaurant Resiliency Grant Program ($25M)
   • Services, expenses, and costs of program administration
   • Grants to restaurants that offer meals and other food-related items to people within distressed or under-represented communities
   • Funds cover: purchase of food, costs related to the preparation, provision, or delivery of meals, and other costs
$40 million Biodefense Commercialization Fund
Biodefense Commercialization Fund

$40 Million for Infectious Disease Resiliency

- Grants to innovative companies and startups to commercialize solutions to infectious diseases, and other public health threats.

- NYS will partner with Columbia University and Mount Sinai Health System

- Awarded companies will be supported throughout their growth with the help of connections to academic partners and with business-growth support.
Enhance the Excelsior Jobs Program to Support Child Care and Enhance the Employer Provided Child Care Credit.
Incentives for Child Care Services to Employees

1) **Excelsior Child Care Credit** - Up-to 5% Investment Tax Credit (traditionally 2%) for Excelsior program participant business investments to provide child care, and up to 6% on ongoing net child care expenditures provided by the company.

2) **Employer Provided Child Care Credit** - enhanced by doubling the current credit percentages to 50 percent of qualified childcare expenditures and 20 percent of qualified child care resource and referral expenditures while increasing the per taxpayer cap from $150,000 to $500,000.
A mandate to provide **affordable** $15 per month internet service for all **low-income families**.
Helping NYS Businesses Build Back

Across New York State, businesses have been devastated by the effects of the COVID-19 pandemic. Now, we are offering hope for these businesses, with the Business Pandemic Recovery Initiative, the largest and most comprehensive business recovery initiative in the State’s history. Empire State Development is also making it easier for businesses to access a number of federally funded COVID-recovery programs. Together, we can continue to be New York Tough and reimagine, rebuild, and renew New York...even better than before.

New York State Business Recovery Programs

- **Pandemic Small Business Recovery Grant Program**
  - $500 million in funding for small businesses – including for-profit arts and cultural institutions that were impacted by the COVID-19 pandemic.
  - [LEARN MORE](#)

- **Restaurant Resiliency Program**
  - $25 million in grant funding to support restaurants that provide meals to distressed and under-represented communities.
  - [LEARN MORE](#)

- **Restaurant Return-to-Work Tax Credit**
  - For small, independently owned restaurants within New York City or any area in New York State designated by the NYS Department of Health as either an Orange or a Red zone for at least 30 consecutive days.
  - [LEARN MORE](#)

Federal Assistance Programs

- **SBA Restaurant Revitalization Funding Program**
  - The American Rescue Plan Act established the Restaurant Revitalization Fund (RRF) to provide funding to help restaurants and other eligible businesses keep their doors open. Businesses can apply through SBA-recognized Point of Sale Restaurant Partners or through an SBA online application portal.
  - [LEARN MORE](#)

- **SBA Shuttered Venue Operators Grant**
  - The SBA Shuttered Venue Operators (SVO) Grant includes over $16 billion in grants to eligible shuttered live-entertainment venues, movie theaters, performing arts organizations, museums, and other cultural entities.
  - [LEARN MORE](#)

- **SBA Paycheck Protection Program (PPP)**
  - The PPP provided $659 billion in loans to small businesses, nonprofits, sole proprietors, and other eligible entities with fewer than 500 employees. Funding for new PPP applications was exhausted on May 28, 2021, and new applications are suspended until such time as additional funding is available.
  - [LEARN MORE](#)

- **SBA Economic Injury Disaster Loan (EIDL) Program**
  - Provides small businesses and nonprofits with low-interest loans of up to $2 million to help overcome other financial losses due to COVID-19.
  - [LEARN MORE](#)

Organizations Available to Assist

New York’s statewide community network of Entrepreneurship Assistance Centers and Small Business Development Centers are...
Thank You