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|  | **The Council of the City of New York**  **Finance Division**  Latonia Mckinney, Director  **Fiscal Impact Statement**  **Proposed Int. No. 1470-B**  **Committee:** Small Business |
| **Title:**  A Local Law to amend the administrative code of the city of New York, in relation to legal services for small business tenants | **Sponsors:** By Council Members Levine, Rivera, Powers, Rosenthal, Ayala, Kallos and Vallone |
| **Summary of Legislation:** Proposed Int. No. 1470-B would require the Department of Small Business Services (“SBS”) to provide individualized legal assistance to small business tenants on commercial lease-related issues free of charge, through a designated organization. It would also empower SBS to provide legal representation in court for small business tenants facing eviction, lease termination or allegations that the businesses had breached their lease terms, at no cost to the small business tenant, through a designated organization. SBS would also be required to provide assistance to small businesses with regards to funding programs related to COVID-19, such as loans and grants, until 180 days after the Mayor’s declaration of a state of emergency expires. All these programs would be subject to appropriation.  Additionally, SBS would have to report on the outcomes of the programs established by the bill, including certain characteristics of the businesses served and the designated organizations who provided the programs. | |
| **Effective Date:** This local law would take effect 120 days after it becomes law, provided that the section of this local law that would require SBS to provide services to small businesses impacted by COVID-19 would expire 180 days following the expiration of the local state of emergency declared by the mayor in emergency executive order number 98, issued on March 12, 2020, as extended. | |
| **Fiscal Year In Which Full Fiscal Impact Anticipated:** Fiscal 2022 | |
| **Fiscal Impact Statement:**   |  |  |  |  | | --- | --- | --- | --- | |  | **Effective FY21** | **FY Succeeding**  **Effective FY22** | **Full Fiscal** Impact FY22 | | **Revenues (+)** | **$0** | **$0** | **$0** | | **Expenditures (-)** | **$0** | **$0** | **$0** | | **Net** | **$0** | **$0** | **$0** | | |
| **Impact on Revenues:** It is anticipated that there would be no impact on revenues resulting from the enactment of this legislation. | |
| **Impact on Expenditures:** It is anticipated that there would be no impact on expenditures resulting from the enactment of Proposed Int. No. 1470-B because the agency could utilize existing funds from its Commercial Lease Assistance program and other agency resources already allocated in the City’s Financial Plan to comply with the requirements of this legislation. While the legislation additionally empowers SBS to provide additional services subject to appropriation, it is premature to speculate on the magnitude of such authorized, contingent, expenditures. | |
| **Source of Funds To Cover Estimated Costs:** N/A | |
| **Source of Information:** Mayor’s Office of Legislative Affairs | |
| **Estimate Prepared by**: Aliya Ali, Principal Financial Analyst    **Estimate Reviewed by:** Noah Brick, Assistant Counsel  Nathan Toth, Deputy Director  Crilhien Francisco, Unit Head  **Legislative History:** This legislation was introduced to the Council on March 13, 2019 as Int. No. 1470, and was referred to the Committee on Small Business (“Committee”). A hearing was held by the Committee on March 18, 2019, and the legislation was laid over. The legislation was subsequently amended twice, and the most recent amended version, Proposed Int. No. 1470-B, will be voted on by the Committee on at a hearing on August 27, 2020. Upon successful vote by the Committee, Proposed Int. No. 1470-B will be submitted to the full Council for a vote on August 27, 2020. | |

**Date Prepared:** August 21, 2020