Legislation Details (With Text)

File #:	Res 0043-2018	**Version:**	*	**Name:**	Establishing a tax credit for businesses that are located within neighborhoods with high rates of unemployment or that employ workers who live in neighborhoods with high rates of unemployment.
Type:	Resolution			**Status:**	Filed (End of Session)
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Title:	Resolution calling upon the New York State Legislature to introduce and pass, and the Governor to sign, legislation establishing a tax credit for businesses that are located within neighborhoods with high rates of unemployment or that employ workers who live in neighborhoods with high rates of unemployment				
Sponsors:	Robert E. Cornegy, Jr., Justin L. Brannan				
Indexes:					
Attachments:	1. Res. No. 43, 2. January 31, 2018 - Stated Meeting Agenda, 3. Hearing Transcript - Stated Meeting 01-31-2018, 4. Minutes of the Stated Meeting - January 31, 2018				

Date	Ver.	Action By	Action	Result
1/31/2018	*	City Council	Introduced by Council	
1/31/2018	*	City Council	Referred to Comm by Council	
12/31/2021	*	City Council	Filed (End of Session)	

Res. No. 43

Resolution calling upon the New York State Legislature to introduce and pass, and the Governor to sign, legislation establishing a tax credit for businesses that are located within neighborhoods with high rates of unemployment or that employ workers who live in neighborhoods with high rates of unemployment

By Council Members Cornegy and Brannan

Whereas, While New York City's unemployment rate has been declining since its peak during the midst of the Great Recession, according to the New York State Department of Labor (DOL), as of November 2017 it still remained at 4.0 percent; and

Whereas, The unemployment rate varies from borough to borough, with the unemployment rate in November 2017 in the Bronx at 5.7 percent, Brooklyn at 4.1 percent, Staten Island at 4.0 percent, Manhattan at 3.6 percent, and Queens at 3.5 percent, according to DOL; and

Whereas, The boroughs with lower levels of income have higher rates of unemployment; and

Whereas, In 2009, the Fiscal Policy Institute found a similar inverse relationship between income level and unemployment rate when it analyzed the data broken down further by New York City neighborhood; and

Whereas, In its brief entitled "New York City in the Great Recession: Divergent Fates by Neighborhood and Race and Ethnicity," the Fiscal Policy Institute reported that unemployment rates in the third quarter of 2009 ranged from 5.1% on Manhattan's Upper East and West Sides, to 15.7% in the South and Central Bronx and 19.2% in Brooklyn's East New York neighborhood; and

Whereas, Unemployment, and particularly long-term unemployment, leads to adverse consequences for the unemployed workers and their families; and

Whereas, According to the Congressional Budget Office, some of those adverse consequences include lower earnings for new job market entrants, reduced earnings after job loss, negative health effects, and family stresses; and

Whereas, Those adverse consequences can further compound families' already existing struggles to improve their financial conditions; and

Whereas, The City and the State should implement policies that would help lower the unemployment rate in areas that are the hardest hit by unemployment; and

Whereas, These policies should include offering tax relief to incentivize business owners to locate their businesses in, and to hire and retain workers who reside in, the neighborhoods with the highest rates of unemployment; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to introduce and pass, and the Governor to sign, legislation establishing a tax credit for businesses that are located within neighborhoods with high rates of unemployment or that employ workers who live in neighborhoods with high rates of unemployment.

RKC
LS #1337
01/09/2018