Simpson Thacher

Memorandum

New York State Defines Essential Businesses For Purposes of COVID-19 Restrictions

March 26, 2020

On March 20, 2020, in response to the coronavirus disease 2019 crisis, New York Governor Andrew Cuomo signed the "New York State on PAUSE" executive order which included a directive that all "non-essential" businesses statewide close "in-office" personnel functions effective Sunday, March 22. This directive applies to all businesses in New York State that are not deemed "Essential Businesses." State-issued <u>Guidance on Executive</u> <u>Order 202.6</u> defines an Essential Business to include, initially, the following categories of businesses:

- 1. Essential Health Care Operations, Including:
 - a. research and laboratory services
 - b. hospitals
 - c. walk-in-care health clinics and facilities
 - d. emergency veterinary and livestock services
 - e. senior and elder care
 - f. medical wholesale and distribution
 - g. home health care workers or aides for the elderly
 - h. doctor and emergency dental
 - i. nursing homes, or residential health care facilities or congregate care facilities
 - j. medical supplies and equipment manufacturers and providers
 - k. licensed mental health providers
 - 1. licensed substance abuse treatment providers
 - m. medical billing support personnel
- 2. Essential Infrastructure, Including:
 - a. utilities including power generation, fuel supply and transmission
 - b. public water and wastewater
 - c. telecommunications and data centers

- d. airports/airlines
- e. commercial shipping vessels/ports and seaports
- f. transportation infrastructure such as bus, rail, for-hire vehicles, garages
- g. hotels and places of accommodation

3. Essential Manufacturing, Including:

- a. food processing, manufacturing agents, including all foods and beverages
- b. chemicals
- c. medical equipment/instruments
- d. pharmaceuticals
- e. sanitary products including personal care products regulated by the FDA
- f. telecommunications
- g. microelectronics/semi-conductor
- h. food-producing agriculture/farms
- i. household paper products
- j. defense industry and the transportation infrastructure

4. Essential Retail, Including:

- a. grocery stores including all food and beverage stores
- b. pharmacies
- c. convenience stores
- d. farmer's markets
- e. gas stations
- f. restaurants/bars (but only for take-out/delivery)
- g. hardware, appliance and building material stores
- h. pet food

5. Essential Services, Including:

- a. trash and recycling collection, processing and disposal
- b. mail and shipping services
- c. laundromats
- d. building cleaning and maintenance

- e. child care services
- f. auto repair
- g. warehouse/distribution and fulfillment
- h. funeral homes, crematoriums and cemeteries
- i. storage for essential businesses
- maintenance for the infrastructure of the facility or to maintain or safeguard materials or products therein
- k. animal shelters and animal care

6. News Media

7. Financial Institutions, Including:

- a. banks or lending institutions
- b. insurance
- c. payroll
- d. accounting
- e. services related to financial markets

8. Providers of Basic Necessities to Economically Disadvantaged Populations, Including:

- a. homeless shelters and congregate care facilities
- b. food banks
- c. human services providers whose function includes the direct care of patients in state-licensed or funded voluntary programs; the care, protection, custody and oversight of individuals both in the community and in state-licensed residential facilities; those operating community shelters and other critical human services agencies providing direct care or support

9. Construction, Including:

- a. skilled trades such as electricians, plumbers
- b. other related construction firms and professionals for essential infrastructure or for emergency repair and safety purposes

10. Defense:

a. defense and national security-related operations supporting the U.S. Government or a contractor to the U.S. Government

- 11. Essential Services Necessary to Maintain the Safety, Sanitation and Essential Operations of Residences or Other Businesses, Including:
 - a. law enforcement, including corrections and community supervision
 - b. fire prevention and response
 - c. building code enforcement
 - d. security
 - e. emergency management and response, EMS and 911 dispatch
 - f. building cleaners or janitors
 - g. general maintenance whether employed by the entity directly or a vendor
 - h. auto repair
 - i. disinfection
 - j. residential moving services
- 12. Vendors That Provide Essential Services or Products, Including Logistics and Technology Support, Child Care and Services, Including but Not Limited to:
 - a. logistics
 - b. technology support for online services
 - c. child care programs and services
 - d. government owned or leased buildings
 - e. essential government services
 - f. any personnel necessary for online or distance learning or classes delivered via remote means

Limitations on Essential Businesses

The Guidance provides that, with respect to businesses that operate, or provide, both essential and non-essential services, supplies or support, only those lines and/or business operations that are necessary to support the essential services, supplies, or support are exempt from the restrictions.

Requests for Designation as an Essential Business

The Guidance provides that, subject to certain the restrictions set out in the Guidance, a business that is not enumerated as an Essential Business but believes it provides essential services or functions may submit a <u>Request</u> for designation as an Essential Business.

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