



FOR IMMEDIATE RELEASE

August 4, 2022

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Chamber Stands with State Officials, Upstate United, and Local Business Leaders to Call for a Solution to the Unemployment Insurance Surcharge Crisis

Binghamton, NY – The Greater Binghamton Chamber of Commerce was joined by state leaders, local businesses and Upstate United to call for immediate relief for the unemployment insurance surcharge crisis at a press conference today.

The relief needed is with regard to the recent Interest Assessment Surcharge bills businesses are receiving to cover interest incurred on federal loans received during the pandemic. The State depleted its Unemployment Trust Fund and unlike the actions of thirty-two other states, did not use any federal stimulus to replenish the fund, which had a \$9.1 billion deficit. Interest incurring on the loans is now being charged to businesses and other organizations.

Statewide business groups such as Upstate United, NFIB and chambers of commerce, focused their attention to this issue in the last legislative session, warning that if the state did not address the UI Trust Fund crisis, businesses would be asked to foot the bill and, similar to the 2008 financial crisis, would begin receiving costly annual interest assessment surcharges (IAS).

As anticipated, this July the business community has witnessed IAS bills ranging from ones to tens of thousands dollars. With inflation at a 40-year high, and the cost of doing business in New York increasing daily, small businesses have no way to pay for this. These bills are due in just two months-time, with no exceptions, despite the UI Trust Fund crisis being a result of the state's poor decision-making.

A recent report from NYS Comptroller Thomas DiNapoli cites that if the state does not repay its outstanding advance by November 2022, employers will be forced to pay an additional \$21 per employee in federal tax payments on top of what they are already billed, with this number expected to grow annually until there is no longer a loan balance. This report also suggests that at minimum, it will take nearly 6 years for the state to pay off the UI debt at its current contribution of \$1 billion per year.

“The Greater Binghamton Chamber of Commerce calls on Albany to immediately revisit this issue and find solutions to the current unemployment insurance IAS crisis that do not negatively impact our local businesses,” said Stacey Duncan, CEO of the Leadership Alliance, a partnership between the Broome the Greater Binghamton Chamber and The Agency. “We urged New York to use it’s own funds to replenish the UI Trust Fund so that our businesses would not be asked to pay. Now, the IAS crisis has placed an undue burden on businesses during a time we should be focusing policy and programmatic decisions on supporting their economic resurgence.”

“By failing to tackle the state’s unemployment insurance debt in this year's budget, Our leaders in Albany risked driving up New York’s already high cost of living to new heights,” said Justin Wilcox, executive director of Upstate United. “New York's current \$8 billion debt will be shouldered by struggling employers and ultimately consumers. This crisis comes at a time when businesses are already reeling from the impacts of inflation, labor force issues and supply chain problems. These struggling businesses need meaningful UI relief as soon as possible,” said Justin Wilcox, Executive Director of Upstate United.

“The Unemployment Insurance (UI) surcharges being levied against New York’s small businesses are completely unnecessary and are coming at a very bad time for Main Street,” said Ashley Ranslow, National Federation of Independent Businesses’ (NFIB) New York State Director. “New York’s elected leaders had the opportunity to address the state’s outstanding UI debt earlier this year with federal pandemic relief or excess state revenues. Instead, the state’s inaction has led to these surprise surcharges while small businesses are battling inflation, high gas prices, labor shortages, and supply chain disruptions. The state must act immediately to help lower UI taxes and prevent these surcharges in the future. It’s time for New York to lead instead of kicking the can down the road.”

The Chamber is proud to have bi-partisan support from both the Senate and Assembly with Assemblymembers Joe Angelino and Donna Lupardo and Senator Fred Akshar in attendance. The majorities of each house must take this issue seriously and work together to find a solution to this issue and prioritize the needs of our business community.

Senator Fred Akshar said, "Right now, businesses across New York are footing the bill for yet another avoidable cost increase, because leaders in Albany have abdicated their responsibility to address New York's \$8 billion Unemployment Insurance Trust Fund (UFT) loan balance. Thirty-two other states used their federal recovery funding to reduce costs on businesses and take responsibility for their UFT interests and outstanding loan balance. Yet New York falls flat on its face when it comes to making life affordable for our businesses and their employees. That’s why we’re standing up and speaking out. We’re demanding that Governor Hochul and Albany leadership join the 32 other states and offer some relief to our struggling businesses. We have plenty of ways to abolish the Interest Assessment Surcharge and either use the state's excess Budget revenues, the fund balance in reserves for Economic Uncertainties or the Extraordinary monetary Settlements to pay the interest and loan balance instead of forcing businesses to foot the bill. All it takes is a willingness to act in the best interests of hardworking New Yorkers."

“Since learning about the billions owed to the federal Unemployment Trust Fund, I have advocated for a repayment plan that would not fall on the state’s business community. I raised the issue in multiple ways, even reaching out to groups based in NYC for their assistance. The “Interest Adjustment Surcharge” couldn’t come at a worse time for businesses still recovering from the pandemic. I hope a better solution can be reached.” Assemblywoman Donna Lupardo said.

“I am proud to stand with our business community in calling for the state to provide unemployment insurance relief which is hampering upstate economic growth. It is disappointing that when federal dollars came in, Gov. Hochul and the downstate legislative majority failed to provide meaningful relief to businesses. I am committed to working on finding more relief solutions for our small businesses,” said Assemblyman Joseph Angelino.

Several businesses were in attendance to voice their concern including Delta Engineers, Architects & Land Surveyors, Gorick Construction and Sam A. Lupo and Sons, Inc. , The following businesses also provided the Chamber with their positions on the issue:

“New York's business community got invited to another Albany style spend-fest, only to find out that we're not just the cleanup committee, we also get to pick up the check...again. I hope we'll collectively remember to just say "no" the next time we get the chance,” said David Chambers, Chief Financial Officer Delta Engineers, Architects, & Surveyors.

“As a small business owner, I am tired of the high cost of conducting business in New York State. New York consistently spends our tax dollars, but always misses the mark when it comes to small businesses and what they truly need to keep their bottom line. After almost two years of facing increased operational costs coupled with significant workforce shortages, our company received a sizeable bill from the New York State Department of Labor for the state’s Unemployment Insurance Interest Assessment Surcharge. Unnecessary bills like this set small businesses up for failure and cause us to increase consumer costs and penalize our employees with limited hours and layoffs, just to keep our doors open. Despite calls for relief in this years’ state budget, New York failed to pay back the \$8.1 billion loan owed to the Federal Government and now we are forced to clean up the mess. To add to this insult, my business like many others, has been trying to do the right thing and have been actively recruiting employees since before COVID yet we’re being punished for the state’s fiscal irresponsibility. We need help and we need it now. New York businesses can’t take on anymore costs and we need our legislature to put people before politics,” said Sam Lupo, Owner of Sam A. Lupo & Son’s, Inc.

“I agree with State Comptroller DiNapoli when he said that the obligation to pay back this money and rebuild the trust fund balance presents a serious challenge for the state and businesses struggling to recover from the pandemic. Action is needed to avoid hiking costs for New York businesses and slowing the state's economic recovery.’ As a result of not paying this down with the Federal dollars NYS received, every business is now being assessed with the 1st interest payments due for 2020-2021. The state owes over 8 billion dollars, resulting in every business having to continue to pay for this inaction for some time,” said Mark L. Freije, President of Matco Electric

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New York State Comptroller
THOMAS P. DINAPOLI

Economic and Policy Insights

Update on New York's Unemployment Insurance Trust Fund: Challenges Continue

June 2022

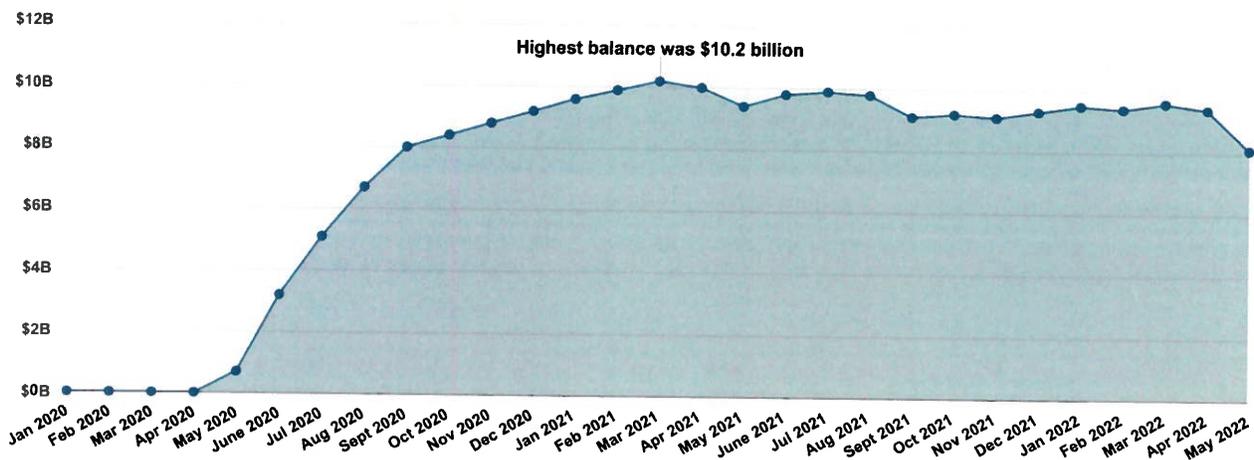
Devastating job losses caused by the COVID-19 pandemic led to a record number of unemployment insurance (UI) claims in New York and other states. Benefits paid through such claims are part of the safety net, and are financed with federal and state payroll taxes collected from employers. As detailed by the Office of the State Comptroller in a September 2021 [report](#), New York’s UI fund did not have sufficient funds to pay the surging claims, and began to borrow from the federal government starting in May 2020.

While many states had to borrow from the federal government to support UI claims, New York is one of only seven states or territories with UI funds that continue to be in debt to the federal government, and the size of the outstanding loan balance—\$8.1 billion—is second only to California. In May 2022, New York State paid \$1.2 billion of its federal loan, but New York’s UI debt has remained stubbornly high despite steady employment gains and State tax rates that have already increased to maximum permissible levels. If New York’s outstanding balance is not fully repaid by November 10, 2022, interest costs will mount, as will the federal portion of employers’ 2022 tax bills. Absent any significant federal or State action, employer costs will continue to grow, potentially impeding the State’s employment recovery amid growing economic uncertainty.

The Federal Loan

Pandemic-related unemployment claims surged during the COVID-19 economic shutdown and reached unprecedented levels; as a result, New York has drawn advances from the federal Unemployment Trust Fund (UTF) since May 2020 when its UI fund initially ran out of funds for paying benefits. The loan balance reached as high as \$10.2 billion in March 2021, declined and then plateaued to an average \$9.3 billion from September 2021 through April 2022. After a series of large repayments, the balance dropped to \$8.1 billion by May 31, 2022, as shown in Figure 1.¹

FIGURE 1
New York’s Monthly UTF Loan Balance During the COVID-19 Pandemic



Sources: U.S. Department of Labor; U.S. Department of Treasury

Interest due on New York's advance has been limited to date because of federal pandemic legislation waiving such payments. The Families First Coronavirus Response Act first waived interest accrued on loans through December 2020. This date was extended by the Consolidated Appropriations Act/Continued Assistance Act and the American Rescue Plan (ARP) Act and the waiver ultimately lasted through September 6, 2021. Interest due from New York for the remainder of federal fiscal year (FFY) 2021 (which ran through September 30, 2021) totaled \$13.5 million.² Payment of this interest was largely deferred, with only \$3.4 million paid.³ As of May 31, New York has accrued \$113.4 million in interest due in FFY 2022 and will also pay an additional \$3.4 million for interest accrued during 2021, for a total of \$116.8 million in interest for FFY 2022.

Balance Remains High Despite Recovery and Increased UI Tax Collections

New York's ability to repay the federal loan is directly tied to the strength of its economic recovery and the tax rates levied on employers. State UI tax rates vary based on employers' payroll, UI benefits paid to former employees and the size of the State UI fund balance. Collections of UI taxes are deposited to the State's fund for the payment of benefits. Although unemployment decreased dramatically in 2021, total benefit payments remained greater than total UI tax collections, contributing to the persistently high balance in New York's outstanding loan.

Fewer Unemployed Individuals, Claims and Benefits Paid

Over the last year, improved employment in New York State has resulted in fewer unemployed individuals, UI claims and accompanying benefit payments. Since April 2020, New York State has added over 1.5 million jobs, recovering over 77 percent of jobs lost.⁴ After reaching a high of 16.5 percent in May 2020, the State unemployment rate has declined steadily to 4.5 percent in April 2022.⁵ UI claims in New York have decreased significantly in tandem with falling unemployment. In the first quarter of 2020, unemployed individuals totaled 403,000 and \$829.4 million in regular UI benefits were paid. These numbers increased dramatically in the next quarter to 1.4 million unemployed individuals (a 248 percent rise) and \$6.5 billion in benefit payments (682 percent). These high levels fell significantly by the end of 2020 and throughout 2021. In the first quarter of 2021, there were 850,000 unemployed individuals, decreasing to 505,000 in the fourth quarter, with commensurate benefits paid declining from \$1.54 billion to \$643 million. Moreover, first payments declined from more than 1.5 million in the second quarter of 2020 to 88,437 by the fourth quarter of 2021.⁶

Greater UI Tax Collections

State UI tax rates increased in 2021 from the prior year; combined with employment growth, these increases have bolstered tax collections by more than 54 percent from \$2.1 billion in 2020 to \$3.2 billion in 2021. These revenues are used to fund benefit payments and pay down outstanding balances.⁷

As shown in Figure 2, even though regular UI benefit payments decreased by almost \$10 billion in 2021 and tax collections increased by more than \$1.1 billion, total benefit payments remained greater than total tax collections, at \$4.4 billion compared to \$3.2 billion. As a result, New York's UI fund continues to draw loans from the federal UTF. In 2021, the size of these loans decreased by almost two-thirds and repayments increased more than tenfold compared to 2020.⁸ Nevertheless, repayments have not yet been sufficient to significantly address the high level of borrowing required in 2020 and the State UI fund continues to draw advances in 2022.

New York's large repayments in May 2022, however, indicate greater movement towards paying down its current advance. If the overall trend of decreasing UI benefit payments continues, or such payments remain at recent levels, and UI tax collections continue to increase (even with typical quarterly variation), New York will be able to continue taking fewer advances and making larger repayments.

FIGURE 2
New York's UI Experience During the COVID-19 Pandemic (in millions)

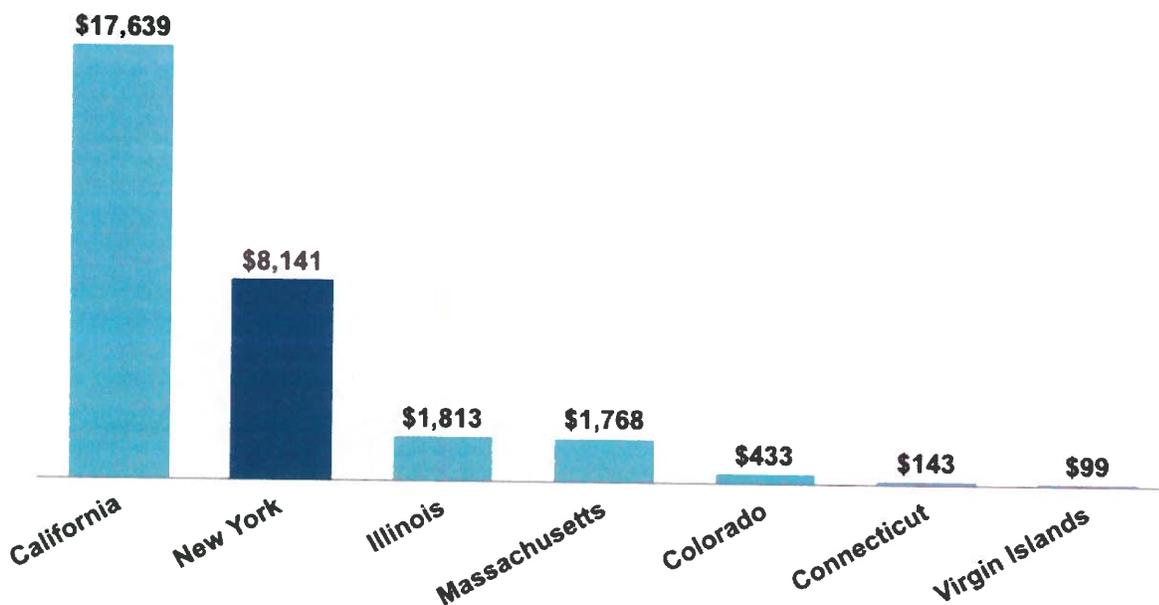
	UI Tax Collections	UI Benefits Paid	Difference	Outstanding Loan		
				Repayments	Advances	Difference
UI Trust Fund Balance on January 1, 2020: \$2,651.5						
2020						
1st	\$216.5	\$829.4	(\$613.0)	\$0.0	\$0.0	\$0.0
2nd	\$1,321.9	\$6,488.2	(\$5,166.4)	\$86.9	\$3,301.5	(\$3,214.6)
3rd	\$317.6	\$5,211.4	(\$4,893.9)	\$67.2	\$4,814.0	(\$4,746.8)
4th	\$220.5	\$1,802.3	(\$1,581.8)	\$107.5	\$1,387.5	(\$1,280.0)
Total	\$2,076.4	\$14,331.4	(\$12,255.0)	\$261.6	\$9,503.0	(\$9,241.4)
UI Trust Fund Balance on January 1, 2021: \$474.6						
2021						
1st	\$176.2	\$1,541.7	(\$1,365.5)	\$312.0	\$1,317.2	(\$1,005.2)
2nd	\$1,924.7	\$1,251.5	\$673.2	\$1,248.7	\$762.4	\$486.3
3rd	\$640.3	\$965.5	(\$325.1)	\$1,396.4	\$781.9	\$614.5
4th	\$466.4	\$643.0	(\$176.6)	\$344.1	\$533.0	(\$188.9)
Total	\$3,207.6	\$4,401.7	(\$1,194.0)	\$3,301.2	\$3,394.4	(\$93.2)
UI Trust Fund Balance on January 1, 2022: \$73.8						
2022						
1st	\$425.7	\$715.8	(\$290.1)	\$299.1	\$574.0	(\$274.9)

Source: U.S. Department of Labor, Employment and Training Administration

Responses by Other States

On January 1, 2021, 18 states and territories had outstanding loans with the federal UTF; as of May 31, 2022, there were seven states and territories with outstanding advances.⁹ On that date, loans drawn by California and New York summed to almost \$25.8 billion, representing nearly 86 percent of the total balance in the United States; Illinois and Massachusetts held balances of about \$1.8 billion each. (See Figure 3.)

FIGURE 3
States' Outstanding Balances with the Federal UTF (in millions)



Source: U.S. Department of Treasury

States have addressed their outstanding advances with the federal UTF by using surplus funding, issuing bonds, and modifying tax rates. In addition, the National Conference of State Legislatures notes that 20 states have used ARP Act State Fiscal Recovery Funds to repay these loans and/or replenish state UI funds.¹⁰ States that have taken such actions since September 2021 include Nevada, Ohio, Maryland, Texas and Minnesota.¹¹

Going Forward

New York State has not applied any of its allocation of federal pandemic fiscal relief funds to its advance with the federal UTF, and the Enacted Budget for State Fiscal Year 2022-23 did not include use of federal or State funds for this purpose.

In 2022, State UI tax rates have remained at the highest levels allowed under law for the range of tax rates applied to employers, depending on their experience in the State's unemployment insurance system. If New York does not repay its outstanding advance by November 10, 2022, the federal UI tax rate will increase by 0.3 percent to 0.9 percent for 2022. (See Figure 4.) This would represent an additional annual federal tax payment of \$21 per employee; compared to 2020, the new rate would represent an increase in total tax payments of 30.5 percent for employers required to pay the highest UI tax rates and of 182.3 percent for those who currently pay the lowest rates. If New York continues to hold an outstanding balance on January 1, 2023, employers' federal tax rate will go up to 1.2 percent, representing an additional cost of \$42 per employee over current levels. This additional cost will increase by \$21 per year for each employee as long as New York retains an outstanding balance on November 10 in the relevant tax year.¹²

FIGURE 4
Unemployment Insurance Tax Rates in New York

Levels of Rates	State				Federal
	Normal	Subsidiary	Re-employment Service Fund	State Total	
2020					
Highest	6.9%	0.925%	0.075%	7.9%	0.6%
Lowest	0.0%	0.525%	0.075%	0.6%	
2021					
Highest	8.9%	0.925%	0.075%	9.9%	0.6%
Lowest	1.5%	0.525%	0.075%	2.1%	
2022					
Highest	8.9%	0.925%	0.075%	9.9%	0.9%
Lowest	1.5%	0.525%	0.075%	2.1%	

Note: The federal rate for 2022 represents the potential and likely tax rate if the State's outstanding loan is not repaid by November 10, 2022.

Sources: New York State Department of Labor; U.S. Department of Treasury; Office of the New York State Comptroller.

Given the increase in tax rates for employers at a time when economic recovery remains uncertain and growth lags in New York, the reduction or elimination of the State's loan from the federal UTF is essential. [Comptroller DiNapoli and others](#) have advocated for additional federal support in the form of extended interest waivers.¹³ In addition, State policy makers should consider whether available fiscal relief funds could be used to support the State's UI fund. Absent any significant action, the obligation to repay these federal advances and rebuild the UI fund balance to appropriate levels will present a daunting challenge that could potentially impede the State's overall economic recovery and prevent New York businesses from growing to the full extent of their capacity.

Endnotes

- 1 U.S. Department of Labor, *New York Historical Loans 2007 – February 2022* (Excel spreadsheet provided by staff on April 11, 2022), and U.S. Department of Treasury, *Advances to State Unemployment Funds (Social Security Act Title XII)*, at <https://fiscaldata.treasury.gov/datasets/ssa-title-xii-advance-activities/advances-to-state-unemployment-funds-social-security-act-title-xii>. Following the Great Recession and the COVID-19 pandemic, repayments by New York State on its advances from the federal UTF have been much higher in the month of May than other months.
- 2 U.S. Department of Treasury, *Advances to State Unemployment Funds (Social Security Act Title XII)*, at <https://fiscaldata.treasury.gov/datasets/ssa-title-xii-advance-activities/advances-to-state-unemployment-funds-social-security-act-title-xii>.
- 3 New York met the high unemployment provision for the deferral of interest payments under 20 CFR 606.41. See the Code of Federal Regulations at <https://www.ecfr.gov/on/2022-06-03/title-20/chapter-V/part-606/subpart-E/section-606.41>.
- 4 New York State Department of Labor, *Current Employment Statistics, Total Nonfarm Employment (Seasonally Adjusted) for March 2022 compared to April 2020 (jobs recovered to date) and change in April 2020 compared to February 2020 (jobs lost)*, at <https://dol.ny.gov/current-employment-statistics-0>.
- 5 New York State Department of Labor, *Seasonally Adjusted Labor Force Data – NYS*, at <https://statistics.labor.ny.gov/lslaus.shtm>.
- 6 U.S. Department of Labor, Employment and Training Administration, *Unemployment Insurance Data*, at https://oui.doleta.gov/unemploy/data_summary/DataSum.asp.
- 7 United States Code, Social Security Act, Section 1202 (loan repayment provisions). The U.S. Department of Labor informed the Secretary of the U.S. Treasury on May 7, 2020 that the State of New York requested the transfer of all available funds at the close of business each day from its account in the federal Unemployment Trust Fund to the Federal Unemployment Account (FUA) for repayment of its loan.
- 8 U.S. Department of Labor, Employment and Training Administration, *Unemployment Insurance Data*, at https://oui.doleta.gov/unemploy/data_summary/DataSum.asp; ETA 2112 and ETA 5159, at <https://oui.doleta.gov/unemploy/DataDownloads.asp>; and, New York Historical Loans 2007 – Feb 2022 (Excel spreadsheet provided by staff on April 11, 2022).
- 9 U.S. Department of Treasury, *Advances to State Unemployment Funds (Social Security Act Title XII)*, as of May 31, 2022, at <https://fiscaldata.treasury.gov/datasets/ssa-title-xii-advance-activities/advances-to-state-unemployment-funds-social-security-act-title-xii>.
- 10 As of April 18, 2022. See National Conference of State Legislatures, *ARPA State Fiscal Recovery Fund Allocations, Unemployment Trust Fund, April 18, 2022*, at <https://app.powerbi.com/view?r=eyJrjoiMmQ2NDRIiNDYtN2NkZC00OTE2LThjYzQtYjAzNTE2ZDRjZWFiIiwidCI6IjM4MmZiOGIwLTRkYzYzMTNDEwNy04MGJkLTM1OTViMjQzMmZhZSIsImMiOjZ9> and <https://www.ncsl.org/research/fiscal-policy/arpa-state-fiscal-recovery-fund-allocations.aspx>. See also National Conference of State Legislatures (Emily Maher), *State ARPA Allocation Trends*, January 24, 2022, at <https://www.ncsl.org/research/fiscal-policy/state-arpa-allocation-trends-magazine2022.aspx>.
- 11 Nevada and Ohio used ARP fiscal recovery funding to pay off their outstanding loans with the federal government just prior to the expiration on September 6, 2021 of the waiver on accrual of interest. In Maryland, legislation passed in October 2021 required Governor Larry Hogan to deposit sufficient federal ARP Act relief funds into the state's UI trust fund towards lowering employers' tax rates in 2022 and 2023. The appropriation was also available for repayment of Maryland's outstanding loan with the federal UTF. In November 2021, legislation was enacted in Texas to use approximately \$7.2 billion of its \$15.8 billion allocation of federal fiscal recovery funds to retire the state's outstanding loan (\$5.9 billion) and replenish its UI fund for paying benefits. More recently, Minnesota governor Tim Walz signed legislation on April 29, 2022 to use \$2.7 billion to both repay the State's outstanding advance with the federal UTF and replenish its UI fund. See National Conference of State Legislatures, *ARPA State Fiscal Recovery Fund Allocations, Unemployment Trust Fund, April 18, 2022*, at <https://app.powerbi.com/view?r=eyJrjoiMmQ2NDRIiNDYtN2NkZC00OTE2LThjYzQtYjAzNTE2ZDRjZWFiIiwidCI6IjM4MmZiOGIwLTRkYzYzMTNDEwNy04MGJkLTM1OTViMjQzMmZhZSIsImMiOjZ9>; Pennsylvania Capital-Star, *States, Including Pa., That Borrowed from Feds to Cover Unemployment Checks Now Owe Interest*, September 7, 2021, at <https://www.penncapital-star.com/government-politics/states-including-pa-that-borrowed-from-feds-to-cover-unemployment-checks-now-owe-interest/>; EY (Ernst & Young), *Tax News Update, U.S. Edition*, October 4, 2021, at <https://taxnews.ey.com/>

news/2021-1799-maryland-legislation-requires-the-governor-to-bolster-the-ui-trust-fund-balance-to-lower-the-sui-tax-rate-schedule-for-2022-and-2023-federal-ui-loan-balance-repaid-avoiding-futa-credit-reduction-in-2022; Maryland Department of Labor, *Governor Larry Hogan Issues Executive Order to Waive Charging of COVID-19 Unemployment Insurance Benefits to Employers*, December 10, 2020, at <https://www.dlir.state.md.us/whatsnews/uiexprateeo.shtml>; Texas Workforce Commission, *Texas Pays Off Loan from Federal Unemployment Account*, November 9, 2021, at <https://www.uwcstrategy.org/texas-pays-off-loan-from-federal-unemployment-account/>; and Minnesota Legislature, *House passes bill to replenish UI trust fund, provide checks to frontline workers*, April 25, 2022, at <https://www.house.leg.state.mn.us/sessiondaily/Story/17402>.

12 New York State Department of Labor, *Unemployment Insurance Rate Information*, at <https://dol.ny.gov/unemployment-insurance-rate-information> (2022); U.S. Department of Treasury, *State Unemployment Insurance Trust Fund Solvency Report 2022*, April 2022, at <https://oui.doleta.gov/unemploy/docs/trustFundSolvReport2022.pdf>; and Office of the New York State Comptroller, *Unemployment Insurance Trust Fund: Challenges Ahead*, September 2021, at <https://www.osc.state.ny.us/files/reports/pdf/unemployment-insurance-trust-fund.pdf>.

13 Governing and Chicago Tribune (Dan Petrella), *8 States Ask for Freeze on Unemployment Benefits Loan Interest*, December 15, 2021, at <https://www.governing.com/work/8-states-ask-for-freeze-on-unemployment-benefits-loan-interest>; letter from New York State Senate and Assembly members to Majority Leader Charles Schumer, September 17, 2021, at https://www.nysenate.gov/sites/default/files/article/attachment/final_ui_extension_letter.pdf; U.S. Senate Bill 3760, *Continued Waiver of Interest on State Unemployment Loans during the Pandemic Act*, introduced March 3, 2022, at <https://www.congress.gov/bill/117th-congress/senate-bill/3760/text>; and, National Association of State Workforce Agencies (NASWA), *Letter of Support for Congressmen Davis' Interest Waiver for UI Trust Funds Proposal*, January 20, 2022, at <https://www.naswa.org/government-relations/congressional-testimony/letter-of-support-for-congressman-davis-interest>.

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Assemblywoman 113th District
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Commission on Skills
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July 11, 2022

Hon. Kathy Hochul
Governor of New York State
Executive Chamber
New York State Capitol
Albany, NY 12224

Dear Governor Hochul,

We are writing to urge you to allocate revenues exceeding FY 2022 projections - including New York's excess mobile sports wagering revenue and sales tax revenue - for the purpose of repaying the State's outstanding loan balance to the federal Unemployment Trust Fund (UTF). As you know, New York's loan balance currently stands at \$8.1 billion and the federal unemployment insurance ("UI") tax rate on this amount is slated to increase substantially by November 10, 2022.

According to a report issued in June by State Comptroller Thomas DiNapoli,¹ should the state fail to reduce or eliminate the loan balance by November 10th, employers will pay "[a]n additional annual federal tax payment of \$21 per employee" and "[t]he new rate would represent an increase in total tax payments of 30.5 percent for employers required to pay the highest UI tax rates and of 182.3 percent for those who currently pay the lowest rates." Should NYS continue to hold an outstanding balance on January 1, 2023, the figures become even more dire, as the federal tax rate to employers will increase an additional 0.3 percent.

We stand in agreement with other New York leaders who favor reducing or eliminating the UTF loan balance as soon as possible. As reported in today's Wall Street Journal, "State Budget Director Robert Mujica said New York might pay down the debt if extra revenue becomes available."² Moreover, State Comptroller Thomas DiNapoli has warned that "[t]he reduction or elimination of the State's loan from the federal UTF is essential."³

Hon. Kathy Hochul
Governor of New York State
July 11, 2022
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Making payments against the outstanding debt is the responsible thing to do; allowing the debt to grow through non-payment will endanger the State's ongoing economic recovery. We urge you to take immediate action to repay the loan.

Sincerely,



Carrie Woerner
Member, NYS Assembly
113th District



Didi Barrett
Member, NYS Assembly
106th District



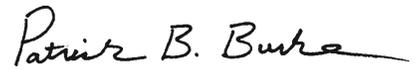
Albert A. Stirpe, Jr.
Member, NYS Assembly
127th District



Monica Wallace
Member, NYS Assembly
143rd District



Donna A. Lupardo
Member, NYS Assembly
123rd District



Patrick B. Burke
Member, NYS Assembly
142nd District



Jonathan Jacobson
Member, NYS Assembly
104th District



William B. Magnarelli
Member, NYS Assembly
129th District



Patricia Fahy
Member, NYS Assembly
109th District



Judy A. Griffin
Member, NYS Assembly
21st District



Billy Jones
Member, NY Assembly
115th District



Jen Lunsford
Member, NYS Assembly
135th District

Hon. Kathy Hochul
Governor of New York State
July 11, 2022
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John McDonald
Member, NYS Assembly
108th District



William C. Conrad
Member, NYS Assembly
140th District



Karen M. McMahon
Member, NYS Assembly
146th District



Steve Stern
Member, NYS Assembly
10th District

Stacey Pheffer-Amato
Member, NYS Assembly
23rd District



Sandy Galef
Member, NYS Assembly
95th District



Fred W. Thiele Jr
Member, NYS Assembly
1st District



Gina L. Sillitti
Member, NYS Assembly
16th District

Nader J. Sayegh
Member, NYS Assembly
90th District



Thomas J. Abinanti
Member, NYS Assembly
92nd District

¹ Office of Budget and Policy Analysis. (2022, June). *Update on New York's Unemployment Insurance Trust Fund: Challenges Continue*. Albany, New York.

² Vielkind, Jimmy. 2022. "Democratic-Led States Let Their Federal Unemployment Debts Linger." *Wall Street Journal*, July 11.

³ Office of Budget and Policy Analysis. (2022, June).

RANKING MINORITY MEMBER
CIVIL SERVICE AND PENSIONS
CRIME VICTIMS CRIME AND
CORRECTION

COMMITTEES
ALCOHOLISM AND SUBSTANCE ABUSE
CODES
DEVELOPMENTAL DISABILITIES
LABOR

NEW YORK
STATE
SENATE



SENATOR
FREDERICK J. AKSHAR II
52ND SENATE DISTRICT

July 27, 2022

PLEASE RESPOND TO:

ALBANY OFFICE:
ROOM 608
LEGISLATIVE OFFICE BLDG
ALBANY NEW YORK 12247
518-455-2677

DISTRICT OFFICE:
BINGHAMTON STATE OFFICE BLDG
44 HAWLEY STREET STE 1607
BINGHAMTON, NEW YORK 13901
607-773-8771

Hon. Kathy Hochul
Governor of New York State
New York State Capitol Building
Albany, NY 12224

Dear Governor Hochul:

The Division of Budget report, *NYS Initial Plan for American Rescue Plan State and Local Fiscal Recovery Funds*, states that "Small businesses are one of the most critical components of the State of New York's economy and were disproportionately impacted by the economic devastation of the COVID-19 pandemic." I wholeheartedly agree, which is why I cannot understand the state's failure to pay down the \$8 billion Unemployment Insurance Trust Fund (UTF) loan balance.

I believe your administration and the majorities of both houses of the legislature abdicated your responsibility to adequately address the UTF in the budget. Now, businesses all across New York are getting hit with an Interest Assessment Surcharge - on top of rising costs, inflation and workforce shortages.

Businesses in my district are furious - and rightfully so. Thirty-two other states used their federal CARES Act and ARP funding to pay the interest or UTF loan balance. In a \$220 billion budget it is hard to believe the state could not do better than paying \$250 million toward the UTF loan balance.

I implore you to abolish the Interest Assessment Surcharge by using higher-than-expected tax revenues, or the fund balance in reserves for Economic Uncertainties (\$7.6B) or the Extraordinary monetary Settlements (\$1.5B) to pay the interest and loan balance instead of putting the burden on New York's businesses. The state has the revenue to solve this problem without passing costs off to our already struggling business community.

In my humble opinion, this is another case of wants versus needs and the state must prioritize paying the interest and loan balance on the UTF instead of funding pet projects like football stadiums.

I appreciate your immediate attention to this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "F. Akshar II".

Frederick J. Akshar II
52nd Senate District

THE SENATE
STATE OF NEW YORK



PATRICK M. GALLIVAN

July 27, 2022

Honorable Kathy Hochul
Governor
New York State Capitol
Executive Chamber
Albany, New York 12224

Re. Interest Assessment Surcharge

Dear Governor Hochul:

It has been brought to our attention that your administration, via the New York State Department of Labor, recently issued a temporary charge on the Unemployment Insurance accounts of businesses across New York, known as the Interest Assessment Surcharge (IAS). This surcharge is likely to be burdensome financially for businesses, at a time when the cost of doing business has increased exponentially.

As you know, the FY 2023 enacted state budget included an appropriation of \$250 million (see Chapter 50 of the laws of 2022), to specifically cover costs related to the interest owed on the outstanding loan balance from the federal government to the New York State Unemployment Trust Fund. Importantly, this fiscal year's enacted state budget also includes more than \$10 billion in discretionary reserves.

It is incumbent that you take action immediately to insulate businesses, both large and small, from this surcharge by directing the Department to cease and desist with the issuance of IAS bills and instead cover the interest payments with either excess revenue or existing reserves.

Thank you.

Sincerely,

Handwritten signature of Patrick M. Gallivan in black ink, followed by a horizontal line.

Patrick M. Gallivan
Senator, 59th District

Handwritten signature of Robert G. Ort in black ink.

Robert G. Ort
Senator, 62nd District



Joseph A. Griffo
Senator, 47th District



George M. Borrello
Senator, 57th District



Mike Martucci
Senator, 42nd District



Daphne V. Jordan
Senator, 43rd District



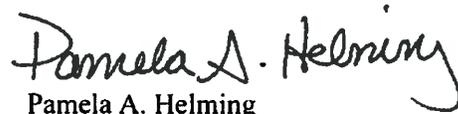
Patricia Ritchie
Senator, 48th District



Peter Oberacker
Senator, 51st District



Andrew Lanza
Senator, 24th District



Pamela A. Helming
Senator, 54th District



Edward A. Rath III
Senator, 61st District



James N. Tedisco
Senator, 49th District



Fredrick J. Akshar II
Senator, 52nd District



Anthony Palumbo
Senator, 1st District



Dan Stec
Senator, 45th District

Cc. Honorable Roberta Reardon – Commissioner, NYS Department of Labor
Mr. Robert Mujica – Director, NYS Division of the Budget



JOSEPH ANGELINO
Assemblyman 122nd District

THE ASSEMBLY
STATE OF NEW YORK
ALBANY

RANKING MINORITY MEMBER
Oversight, Analysis, and
Investigation Committee
COMMITTEES
Banks
Tourism, Parks, Arts and
Sports Development
People with Disabilities
Corporations, Authorities and
Commissions

August 2, 2022

Honorable Kathy Hochul
Governor of New York State
Executive Chamber
New York State Capitol
Albany, New York 12224

Dear Governor Hochul:

It has been brought to my attention that your administration, through the New York State Department of Labor, recently issued a temporary charge on the Unemployment Insurance accounts of businesses across New York State.

The Economic driver of upstate New York is privately owned businesses, large and small. These businesses have struggled continuously for the past two years with lockdowns, supply chain shortages, and labor challenges.

The 2022/23 enacted state budget included an appropriation of \$250 million specifically to cover the interest on the money borrowed from the federal government to the New York State Unemployment Trust Fund and an additional \$10 billion in discretionary reserves.

I strongly urge you to immediately abolish the Interest Assessment Surcharge and provide these businesses with a necessary Unemployment Insurance relief.

Thank you for your swift action on this critical issue.

Sincerely,

Joseph G. Angelino
Member of Assembly
122nd District



August 3, 2022

The Honorable Kathy Hochul
Governor of New York State
NYS State Capitol Building
Albany, NY 12224

RE: Unemployment Insurance (UI)

Dear Governor Hochul:

On behalf of the Greater Binghamton Chamber of Commerce, a business membership organization consisting of nearly 800 members, we are urgently requesting the state to provide unemployment insurance (UI) relief to our struggling business owners.

Statewide business organizations and Chambers of Commerce spent over a year warning the legislature and employers that if the state did not address the UI crisis, businesses would continue to face increased UI tax rates and like the 2008 financial crisis, would begin receiving costly annual interest assessment surcharges (IAS). As anticipated, just this month, the business community has been hit with IAS bills in the thousands of dollars and with inflation at a 40-year high and the cost of doing business in New York increasing daily, small businesses are unsure how they are going to pay for this. In addition, these bills are due in two months-time with no exceptions, despite the UI crisis being a result of the state's decision-making.

The NYS Comptroller, Thomas Dinapoli's recent report cites that if the state does not repay its outstanding advance by November of 2022, employers will be forced to pay an additional \$21 per employee in federal tax payments on top of what they're already billed, with this number expected to grow annually until there is no longer a loan balance. This report also suggests that at minimum, it will take nearly 6 years for the state to pay off the UI debt at its current contribution of \$1 billion per year.

The Chamber is proud to have bi-partisan support from both the Senate and Assembly. It is incumbent that the majorities of each house take this issue seriously and work together to find a solution to this issue. Employers cannot hold on any longer -- we need our state to do the right thing and prioritize the needs of our business community.

Thank you and please feel free to contact me at sduncan@greaterbinghamtonchamber.com if you have any questions.

cc: Senator Frederick J. Akshar, II
Assemblywoman Donna Lupardo
Assemblyman Joseph Angelino

Sincerely,

A handwritten signature in black ink, appearing to read "Stacey Duncan", written over a light blue horizontal line.

Stacey Duncan
President & CEO

**WE'RE HERE
TO BUILD A
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**GREATER
BINGHAMTON**
CHAMBER OF COMMERCE



**PREPARED BY THE GREATER
BINGHAMTON CHAMBER OF COMMERCE**

**2022
AGENDA**

LEGISLATIVE AGENDA

FEDERAL, STATE AND LOCAL PRIORITIES FOR 2022

MESSAGE TO OUR MEMBERS

The 2022 Legislative Agenda is developed by input from our annual legislative survey and our core advocacy committees: Government Affairs and Small Business Legislative Committee. The political realities in New York make advocacy for business issues extremely important. 2021 was an active year for legislators in Albany. Unfortunately, legislation has the ability to move quickly in a one party rule environment.

Despite the challenges of the COVID-19 pandemic, the Chamber has continued to advocate for a pro-growth, pro-business agenda.

That is why, the Greater Binghamton Chamber of Commerce supports the concept of a **bipartisan Upstate Caucus that will help give a voice to Upstate issues**. It is essential that Upstate NY and Upstate businesses have a pro-active voice in creating a climate for economic growth. The Census has showed us that nearly all gains have taken place downstate while Upstate lost representation. The Chamber will work with local elected leaders and advocacy partners to advance the development of a dynamic Upstate Caucus.

TY MUSE

Chairman of the Board

STACEY DUNCAN

President and CEO

MATT SIEGEL

Co-Chair, GAC

GREG LESKO

Co-Chair, GAC



Photo by Drones Over Broome

GOVERNMENT AFFAIRS COMMITTEE

Brett Pennefeather, Eck Plastic Arts

Chad Nixon, McFarland Johnson, Inc

Christopher Hutchings, Smith Brothers Insurance LLC

Donna Ciancio, So. Tier Home Builders & Remodelers Assoc.

Gregory Lesko, Lesko Financial Services

James McDuffee, Delta Engineers, Architects, & Land Surveyors, DPC

James O'Brien, Bothar Construction LLC

Jeff Smith, Binghamton Baseball Boosters

Joe Mirabito, Mirabito Energy Product

Kenneth Kamlet, Hinman, Howard & Kattell, LLP

Matt Siegel, National Pipe & Plastics

Melissa Hackford, Greater Binghamton Association of Realtors

Michael Fosbury, Columbian Financial Group

Mike Pemberton, DoubleTree by Hilton Binghamton

Robert Warholic, The Smith Group

Sam Lupo, Sam A. Lupo & Sons, Inc.

Terry Wood, Willow Run Foods, Inc.

Tim Strong, Visions Federal Credit Union

Tina Dolan, United Health Services, Inc

greaterbinghamtonchamber.com/advocacy



RELEARNING THE FUNDAMENTALS – FOR A PROSPEROUS SOCIETY

In baseball, football or any other sport, it is all about the fundamentals. You never outgrow these practices. It is this muscle memory that you build that allows you to hit a home run, or drop back into the pocket before a game winning touchdown pass. However, in times of crises fundamentals can go by the wayside. The coaches and managers of the team must always point their players back to the fundamentals as the building blocks of success.

In NYS, we have lost sight of the fundamentals to build a healthy economy: low taxes, fewer regulations and a recognition of small business as a driver of the economy. We frequently know of talented individuals who have left the area because we've lost sight of the basics. New York actually lost congressional representation this year because of this. If we want to be on a winning team, we must reverse this trend.

Unfortunately, New York has developed some poor fundamentals and the coaching provides the wrong gameplan. New Yorkers live in a high tax, high regulatory, environment. When the pandemic hit, New York legislators tried to spend and regulate their way out of the pandemic. New York had a 10% year over year budget increase. The NY HERO Act added an additional burden to employers who were trying their best to balance their budget and make payroll. While small business grants most certainly helped businesses, these funds and others could have been used to pay down the Unemployment Insurance Trust Fund or lower the overall tax burden. The UI trust fund has more than a \$9 billion deficit, and NYS did not put funds in to keep it whole.

The CCIA (Climate and Community investment Act) and Extended Producer Responsibility Bill, and Single Payer were thankfully stopped but were all too close to passing.

New York Legislators need to lead our team to success, and that requires relearning some key fundamentals.

A few fundamentals, New York Legislators need to understand:

- 1) Business is a partner, not an adversary.
- 2) Business success drives prosperity and opportunity for everyone.
- 3) Government is not able to solve every problem. It must partner with the private sector.
- 4) Keeping talent and investment in the community is a key to success.
- 5) Routinely examine the effectiveness of a program before throwing more money towards it.

REGULATORY AND LEGISLATIVE PRIORITIES

TAXES & SPENDING

The Chamber believes that government should use its resources effectively and efficiently to decrease the tax burden on citizens and businesses.

Beginning in 2021 municipalities faced shortfalls, and by the end of the 2021 faced staggering surpluses. New York State exercised little to no fiscal restraint and passed a \$18 billion dollar budget increase. The only state with a comparable budget is California and they have double New York State's population.

The Chamber will advocate for fiscal responsibility: that includes decreased spending and lower taxes. The Chamber believes that government should use its resources effectively and efficiently to decrease the tax burden on citizens and businesses.

The Chamber supports:

- Broad based reforms to lower taxes including the proposed small business tax cuts that would have taken the franchise tax rate from 6.5% to 4%.

- Initiatives that consolidate or eliminate ineffective or redundant government services/programs so that we may lower taxes and keep resources in the hands of citizens and businesses within our community.

- Maintaining the 2% property tax cap. Property owners simply cannot afford any tax increases at this time.

The Chamber opposes:

- Publicly financed campaigns that use tax dollars for things like yard signs, robo-calls and political television ads.

Instead, tax dollars should be going toward beneficial initiatives such as improving infrastructure, workforce development, and tax relief.

MANDATES & EMPLOYER REGULATIONS

The Chamber is supportive of efforts to eliminate burdensome regulations that make doing business in NY unnecessarily difficult.

Unemployment Insurance: Many businesses have had to utilize the unemployment system either through the shared work program or by laying workers off during COVID. Due to the unique circumstances every effort should be made to keep UI costs controllable. The State currently has a \$9 billion dollar hole in the UI trust fund. The State must take action and put funds towards replenishing the fund rather than looking to business for a bailout. Over 30 States put American Rescue Plan funds toward their UI systems and New York was not one of them. The State's Unemployment Trust Fund hole is a top concern for our business owners and the State should take every step to reduce payroll tax increases.

Extended Producer Responsibility Legislation: The EPR bill would shift recycling costs from municipalities onto businesses. Businesses would have to join producer responsibility programs to work on and fund the collection, processing & education on recycled materials. It is estimated that it will

increase a "Basket of goods" by 4.01% to 6.35%. This would equate to an additional \$36 to \$57 per month in grocery costs for the average family of four. This would cost approximately \$684 a year.

Scaffold Law: Scaffold Law requires an absolute liability standard on gravity related construction accidents. This law was once intended to champion safety but making the employer 100% liable for all gravity related accidents has the reverse effect. This law stifles development in our community and costs taxpayers approximately \$800 million annually. The Chamber supports repealing the Scaffold Law and replacing with a comparative negligence standard in order to spur more development in our area.

Minimum Wage: The Chamber strongly shares the goal of wanting people to have higher wages. However, we believe the best way for this to be done is, first, through a robust economy

and a need for talent and, second, through programs for upskilling and training our workforce. Minimum wage increases often cause entry level positions that provide an opportunity for advancement to go away. Most businesses are paying well above the \$13.20 minimum wage. This issue should be left to market forces.

Prevailing Wage Expansion: Unfortunately, in 2020, Prevailing Wage expansion passed to include projects that receive incentives of more than 30 percent of construction costs and the costs exceed \$5 million. This policy has captured a lot of projects and will stagnate economic recovery. The law has just taken effect and it is currently difficult to know the number of projects that are not happening because of this. The Chamber will stand against attempts to alter the prevailing wage law to capture more projects or lower thresholds.

Tipped Wage: Employees are entitled to earn the full minimum wage per hour as set by federal or state law (whichever is higher - \$13.20 for Upstate NY). In 2021, Upstate New York food service workers will earn \$10 per hour plus tips (which must total at least \$4.15 an hour). The elimination of this model would be devastating for restaurants and restaurants workers.

Predictive Scheduling: Placing restrictions on the ability of employers to change employee work schedules, makes it extremely difficult for businesses to be flexible at a time when their ability to adapt is critical to their survival. Under previously proposed predictive scheduling laws, the employer is punished for work schedule changes by having to pay a fine to the employee for schedule changes. Compliance with these types of laws is very difficult, especially in sectors that have fluctuating workloads such as retail and restaurants, and has the potential to sour the employer-employee relationship. The Chamber opposes any onerous scheduling mandates proposed by the State of New York.

Paid Family Leave/ Bereavement Leave: New York State is on its fifth year of Paid Family Leave. The current benefits include 12 weeks of paid leave at 67% of the employee's average weekly wage. It is likely that increased benefits will lead to greater use of the benefits.

The Chamber will advocate that the Paid Family Leave program does not expand from its current form. The employee contribution rate for this program has increased nearly every year. As the cost for this program grows, the Chamber will continue to stand against any attempt to shift the cost of Paid Family Leave onto the employer.

Permanent Paid Sick Leave: This legislation is a challenge for many businesses in our community who are grappling with the additional cost and labor shortage. This additional mandate can be very difficult to comply with especially in industries like construction where wages fluctuate based upon the location of the work.

Rent Control/Stabilization: The NYS legislature passed a rent reform package in 2019 that shifted the landscape for tenants and landlords. Upstate Communities can now opt into NYC style rent stabilization. This will significantly hurt investment in our housing stock and reduce the incentive small time landlords have to revitalize aging housing. The Chamber will advocate for housing policy that encourages growth and reinvestment into our current housing stock.

Gig Economy: Any reform involving the gig economy must be done in such a way that it does not pose an existential threat to the success and innovation created by these workers and businesses. It also should not create an undue barrier to entry into this space.

Marijuana Legalization: Marijuana legalization in conjunction with scaffold law could pose to be a real challenge for businesses and liability costs. We encourage scaffold law reform in light of marijuana legalization.

Reform MWBE Contract Requirements: The Chamber will advocate that the MWBE process is streamlined to make it easier to find eligible businesses and to become MWBE certified. Any increase in the number of contracts that would be required to meet MWBE goals will make it more difficult for businesses to comply. This change would increase the administrative cost for businesses and is another way NYS businesses would lose their competitive edge.

Worker's Compensation: Worker's compensation costs remain high in NY in spite of the recent reforms that have improved the system. It is important that common sense reforms continue to be put in place to further improve the system.

Local Government Mandates: Unfunded mandates that are passed down from the State limit our local governments and put strain on our communities. The Chamber will fight against additional mandates that increase costs on local governments. The property tax cap is a good policy but must be coupled with mandate relief.



WORKFORCE DEVELOPMENT

The Chamber is committed to advancing an employer led talent pipeline to meet the real demand of employers locally.

The Chamber of Commerce continues to advocate for policies and initiatives that will reduce workforce barriers including Childcare and Transportation. Childcare centers face numerous challenges that make it difficult for them to stay open. The cost imposed on many working families is unbearable, and centers are unable to charge the true cost of care. The Chamber will continue to work with community partners and advocate for pro-business solutions that will help address the Childcare crisis in our community

The Chamber's affiliate organization, the Greater Binghamton Education Outreach Program (GBEOP), continues to foster business-education relationships to develop and inspire a dynamic local workforce. The newly launched PEAK program provides students with a visual and interactive pathway that connect them with job opportunities available now and in the future. Peak provides businesses with the opportunity to tap

into the workforce of the future.

GBEOP will continue to work with educators to identify opportunities to partner and facilitate programs and create resources that will address the career readiness needs of the graduating class of 2022 while promoting career exploration for students at all grade levels. This includes reimaging Family Career Nights to increase student participation and creating more opportunities for the incoming workforce to engage with local employers.

The Chamber will continue to support initiatives to keep low level offenders out of prisons and get them into the workforce. Employment for someone with a prior criminal record typically reduces recidivism and is beneficial to the well-being of our community. The Chamber will support initiatives based on the voluntary cooperation of employers in our region.

HEALTH CARE

The Chamber will support healthcare policies that increases affordability and access to coverage.

Healthcare remains a top concern for businesses in our area. A constant complaint from membership is the high cost of healthcare coverage in New York State.

The Chamber of Commerce holds that universality, affordability and quality of care are all important factors in a healthcare system. The best way to achieve this is through a gradual approach and sustained efforts, not through a government takeover of the health insurance industry.

New York State is approaching universal coverage through a public-private partnership that provides over 95% of New Yorkers with medical coverage. The New York Health Act would raise taxes by approximately \$250,000,000,000, and there are still looming questions about associated cost controls and reimbursement rates for healthcare providers.

The State should take steps to approach 100% coverage and promote cost saving measures without abolishing private insurance as the New York Health Act would do.

If Medicaid reimbursement rates are used under a single payer system, our local hospitals will lose significant revenue. Our

area hospitals have already absorbed significant pandemic-related costs for which government and other payers have inadequately paid. The Chamber supports finding ways that medical technology can be used to expand healthcare access, reduce costs and improve quality. These funding gaps make investing in these innovations, like telehealth development, even more difficult for healthcare facilities.

The Chamber is very interested in making sure a sufficient talent pipeline is developed for the healthcare industry. Currently, dire staffing shortages are undoubtedly affecting patient access and overall community health. Expanding clinical training capacity is a key component to assuring that doctors, nurses and other health care professionals have capacity to meet our community's future healthcare needs. A healthy community is critically important to sustaining a thriving community. Strengthening the healthcare workforce is critical to delivering excellent healthcare.

Additional mandates on health plans and HCRA taxes on healthcare is a large part of the problem that makes healthcare coverage unaffordable for New Yorkers. Let's look for ways to decrease cost and increase choice.

ENERGY

The Chamber will fight for affordable and reliable energy that can keep our businesses competitive.

Our local businesses must have access to the energy they need at a price that keeps them competitive. With a global economy, our businesses compete with companies from around the world. Our statewide energy policy must be affordable, accessible, and reliable if our community is going to be able to thrive. The Community Leadership and Climate Protection Act was signed into law in 2019. This legislation requires New York to cut greenhouse gas emissions to 85% of 1990 levels by 2050. It also requires 70% of statewide electricity be sourced from renewables by 2030 and to go carbon free by 2040. New York State will have to work to build more infrastructure and make significant investments into the grid to make electric cars and trucks feasible. There is still insufficient information on the cost and feasibility of the CLCPA.

Previously, Governor Cuomo had taken control of the Article 10 process to speed up the permitting process for renewable energy. It is important that local communities have a say, and

that the costs of these proposals are made publicly available. Upstate Communities should not be on the hook for downstate projects. The Chamber will be advocating that CLCPA implementation be done with as little cost to the business community as possible. Our State Government must be aware that increased energy costs will drive more businesses out of NY, which will create more pollution when operating in less environmentally conscience states.

Oppose the CCIA: The Greater Binghamton Chamber of Commerce stands against the Climate and Community Investment Act (CCIA) that would equate to a 55 cent gas tax on gasoline and a 26% increase on natural gas and other home heating oils. Since Upstate New Yorkers are more reliant on private transportation, this would equate to a over \$350 increase per driver. Also, each residential household would expect to see an increase of \$357 per year.

ECONOMIC DEVELOPMENT

The Chamber will champion economic development processes that match the needs of businesses.

Foremost, we believe that free markets and a favorable regulatory climate is the best economic development program.

Expedite the economic development process: It is more important for the state to move at the paces of business and investment and not get hamstrung in bureaucratic practices.

Improve transportation and infrastructure: Transportation is a critical workforce barrier. Typical bus-lines need to match the needs of employers more accurately. The Chamber will continue to work to find solutions to this problem including creative private-public partnerships that will allow workers to overcome this barrier.

Broadband Access: The Chamber is supportive of initiatives to expand broadband access. During COVID, the ability for students and employees to have access to highspeed internet is more important now than ever.

Revitalization: For communities to revitalize across Upstate NY, the downtown area of a community must be an area of key investment. Empty buildings and vacant lots should be either torn down or repaired to help bring a sense of order and community to an area. The Chamber strongly supports community revitalization efforts and we have really begun to see the fruits of these projects across Broome County.

IDA Legislation: The Chamber stands against attempts that would make the IDA's less effective at promoting local economic development, including limiting PILOT timeframes and increasing the scope of prevailing wage.

Infrastructure: Improving utility infrastructure including roads, water, sewer, electric, and gas will be important as new businesses consider our area for investment.

2022 GREATER BINGHAMTON LEGISLATIVE DIRECTORY

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