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CARRIE WOERNER
Assemblywoman 113th District
Saratoga County
Washington County

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
Page 2

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



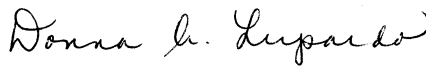
Didi Barrett
Member, NYS Assembly
106th District



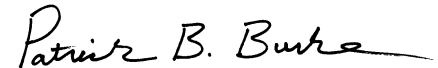
Albert A. Stirpe, Jr.
Member, NYS Assembly
127th District



Monica Wallace
Member, NYS Assembly
143rd District



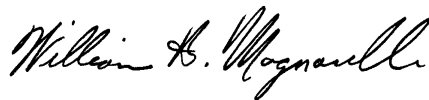
Donna A. Lupardo
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142nd District



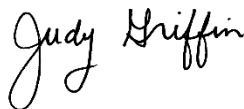
Jonathan Jacobson
Member, NYS Assembly
104th District



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
Page 3



John McDonald
Member, NYS Assembly
108th District



William C. Conrad
Member, NYS Assembly
140th District



Karen M. McMahon
Member, NYS Assembly
146th District



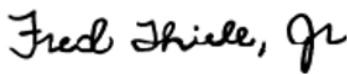
Steve Stern
Member, NYS Assembly
10th District



Stacey Pheffer Amato
Member, NYS Assembly
23rd District



Sandy Galef
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95th District



Fred W. Thiele Jr
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16th District



Nader J. Sayegh
Member, NYS Assembly
90th District



Thomas J. Abinanti
Member, NYS Assembly
92nd District



Steven Otis
Member, NYS Assembly
91st 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).