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ALBANY

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Career Education

CARRIE WOERNER  
Assemblywoman 113<sup>th</sup> 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,<sup>1</sup> should the state fail to reduce or eliminate the loan balance by November 10<sup>th</sup>, 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."<sup>2</sup> Moreover, State Comptroller Thomas DiNapoli has warned that "[t]he reduction or elimination of the State's loan from the federal UTF is essential."<sup>3</sup>

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  
113<sup>th</sup> District



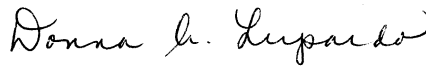
Didi Barrett  
Member, NYS Assembly  
106<sup>th</sup> District



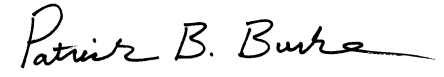
Albert A. Stirpe, Jr.  
Member, NYS Assembly  
127<sup>th</sup> District



Monica Wallace  
Member, NYS Assembly  
143<sup>rd</sup> District



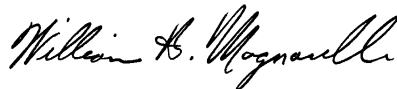
Donna A. Lupardo  
Member, NYS Assembly  
123<sup>rd</sup> District



Patrick B. Burke  
Member, NYS Assembly  
142<sup>nd</sup> District



Jonathan Jacobson  
Member, NYS Assembly  
104<sup>th</sup> District



William B. Magnarelli  
Member, NYS Assembly  
129<sup>th</sup> District



Patricia Fahy  
Member, NYS Assembly  
109<sup>th</sup> District



Judy A. Griffin  
Member, NYS Assembly  
21<sup>st</sup> District



Billy Jones  
Member, NY Assembly  
115<sup>th</sup> District



Jen Lunsford  
Member, NYS Assembly  
135<sup>th</sup> District

Hon. Kathy Hochul  
Governor of New York State  
July 11, 2022  
Page 3



John McDonald  
Member, NYS Assembly  
108<sup>th</sup> District



William C. Conrad  
Member, NYS Assembly  
140<sup>th</sup> District



Karen M. McMahon  
Member, NYS Assembly  
146<sup>th</sup> District

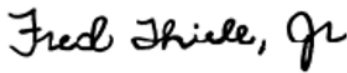


Steve Stern  
Member, NYS Assembly  
10<sup>th</sup> District

Stacey Pheffer-Amato  
Member, NYS Assembly  
23<sup>rd</sup> District



Sandy Galef  
Member, NYS Assembly  
95<sup>th</sup> District



Fred W. Thiele Jr  
Member, NYS Assembly  
1<sup>st</sup> District



Gina L. Sillitti  
Member, NYS Assembly  
16<sup>th</sup> District

Nader J. Sayegh  
Member, NYS Assembly  
90<sup>th</sup> District



Thomas J. Abinanti  
Member, NYS Assembly  
92<sup>nd</sup> District

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

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

<sup>3</sup> Office of Budget and Policy Analysis. (2022, June).