

**Testimony of the Alliance of New York State YMCAs  
on the Federal Response to the Economic Impact  
of the COVID-19 Pandemic in New York State**

**May 13, 2020**

On behalf of the Alliance of New York State YMCAs, we thank you for this opportunity to submit testimony and respond to the federal response to the economic impact of the COVID-19 pandemic on YMCAs across New York State.

The Alliance of New York State YMCAs (the Alliance) is a nonprofit organization that represents the interests of all 37 independently incorporated YMCAs across the state and its 135+ branches and facilities. The Alliance advocates for and educates New Yorkers on the Y's mission to promote youth development, healthy living, and social responsibility.

In your negotiations over the next few weeks, we respectfully ask the State Legislature to consider the following proposals. Although provisions for nonprofit organizations were included in the federal CARES Act, additional aid is needed in order for YMCAs to continue providing vital services to New York's most vulnerable populations.

As such, we urge the Legislature to improve upon the CARES Act by:

- Prohibiting nonprofits from being charged back for unemployment insurance claims in instances of mandated facility closures due to COVID-19. The CARES Act provided 50 percent funding for this purpose; however, the remaining 50 percent liability is financially burdensome in this climate. Nonprofits had the operational capacity to pay unemployment claims in a normal economic environment, but with mandatory shutdowns and extreme reductions in revenue that forced layoffs, the other 50 percent of this protection is a critical need now.
- Expediting the payment of any claims for New York State contracts and/or grants with nonprofit organizations. Due to the unprecedented circumstances posed by the COVID-19 pandemic, it is more difficult for nonprofits to use their own money to support these programs and services until the payment is received.
- Providing funding for nonprofits to operate during and in the wake of the COVID-19 pandemic. While some YMCAs received access to the Payroll Protection Program (PPP) and Industry Stabilization Loans, these vehicles were primarily created to help small businesses and corporate interests. Federal PPP loans are currently capped at 500-employees and,

as a result, many large human service organizations, like the YMCA, were unable to take advantage of this financial assistance.

- Prioritizing the health and wellbeing of all New Yorkers by continuing to fund the state's public health, chronic disease programs, and Medicaid. Sadly, 40 percent of adults across the state suffer from a chronic disease and six out of every 10 deaths in New York are caused by a disease. Many YMCAs across the state provide chronic disease prevention and management programs to disproportionately low-income populations. Now more than ever, New Yorkers cannot afford to live without these vital health services in their local communities.

Furthermore, the YMCA is the largest provider of after-school programs in New York State and has decades of experience partnering with local school districts to provide safe and affordable childcare. Moving forward, the Alliance is deeply concerned about the under-funding of childcare services across the state. High quality childcare is prohibitively expensive for nearly all low- and middle-income families. Another year of underinvestment in childcare will not only leave thousands of New York's working families scrambling to find quality childcare, but it will also jeopardize the very survival of the state's childcare infrastructure.

Despite the mandated closure of all gyms and fitness centers in New York State, Executive Order 202.4 allowed YMCAs to continue providing childcare services to essential employees during COVID-19. YMCAs across the state are working alongside their local school districts, hospitals, municipalities, and state agencies to deliver childcare programs for families who simply cannot stop working.

We urge the Legislature to invest the approximately \$134 million remaining in CARES Act funding and the \$88 million committed in state after-school funding to support these providers and the families they serve as regions across New York State begin to reopen. Additional investments are also needed for:

- Advantage After-School Programs
- Empire State After-School Programs
- Extended School Day/School Violence Prevention (ESD/SVP) Program
- Childcare Subsidies

The lack of funding allocated in the FY 2021-2022 State Budget for these programs was already insufficient before the COVID-19 crisis. We urge the State Legislature to protect them from additional cuts by the Division of Budget with their newly granted authority to reduce funding.

Lastly, as the summer months quickly approach, the Alliance recommends that childcare continue to be classified by the state as an essential service. Additionally, we ask that this definition be expanded to include all registered residential and day camp programs so that essential workers can continue to work without worry of finding childcare.

The Alliance appreciates the support of the New York State Legislature and looks forward to continuing to serve local communities post-pandemic. During these difficult times, please consider the YMCA not only as partner but also a resource.

For additional information, please contact Belinda Heckler, Director of Public Policy, Alliance of New York State YMCAs, [bheckler@ymcasnys.org](mailto:bheckler@ymcasnys.org)