

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,

A handwritten signature in blue ink that reads "Patrick Gallivan".

Patrick M. Gallivan
Senator, 59th District

A handwritten signature in black ink that reads "Robert G. Ort".

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



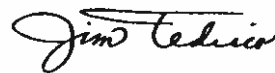
Andrew Lanza
Senator, 24th District



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