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July 31, 2020

Honorable Andrew M. Cuomo, Governor  
State of New York  
Executive Chamber  
New York State Capitol  
Albany, New York 12224

Dear Governor Cuomo:

Thank you, again, for your administration's continued efforts throughout this COVID-19 response and, as we have stated previously, we welcome these ongoing opportunities to share specific challenges and concerns from within the Southern Tier and Finger Lakes regions we represent.

As you know, the COVID-19 response has taken an enormous toll on individual lives as well as upending the economic and social fabric of our communities.

Nowhere has this become more apparent than within the non-profit sector throughout the Southern Tier and Finger Lakes regions we represent, and statewide. This sector exists as the primary lifeline for countless New Yorkers, especially for some of our most vulnerable populations, and provides a livelihood for more than one million of our citizens in our communities.

The not-for-profit sector was already struggling prior to the onset of the pandemic because of persistent underfunding and, in an era of increasingly diminished government resources, a exorbitant demand for services. The coronavirus has only worsened this crisis while, at the same time, even exacerbated the demand for nonprofit programs and services, as millions of New Yorkers continue to confront unemployment, food insecurity, child care challenges and so much more. The same goes for our non-profit non-governmental organizations (NGOs) that state government has become increasingly reliant on to provide mental health care, services for persons with disabilities and numerous other concerns.

It's an enormous and extremely troubling burden that is now made exceedingly difficult by the issuance of your Executive Order 202.48 suspending prompt payment laws.

We fully recognize the difficult short- and long-term fiscal choices New York State will be forced to make because of the COVID-19 response. One of these choices, however, should not be to turn our back on nonprofits that, despite the extreme circumstances, have stepped up over the past several months to continue providing absolutely essential public outreach that, in so many instances, have made the difference. In return, we believe it is among our highest responsibilities for New York government to promptly and fully honor the contracts and obligations we have with and to our non-profit sector.

In short, we urge you to immediately rescind Executive Order 202.48 and remove this threat of a loss of essential human services. Your intentional delay of these payments risks the continuation of these critically needed programs and, in fact, the continued operation of many providers.

It is a risk that we cannot afford.

**THE SENATE  
STATE OF NEW YORK**



**THOMAS F. O'MARA  
SENATOR  
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Additionally, New York State should also end the practice of financially penalizing nonprofits that have successfully secured bank loans from the federal Payroll Protection Program (PPP) by reducing their payments by an equal amount. For many of these organizations, the PPP funds are the only reason their doors are still open. Efforts by the state to adjust their contractually obligated payments downward will only further exacerbate the distressed situation of nonprofits and may ultimately leave them worse off, particularly if loans are not forgiven by the SBA. Practices like these are essentially leaving nonprofits in the position of being 'lenders' to the state and that is simply unacceptable.

Once again, we urge you to immediately rescind Executive Order 202.48. If we can provide additional information, answer any questions or help facilitate further discussions of this concern with our local nonprofit sector, please contact us.

We stand ready to assist in any way we can.

Sincerely,



*Thomas F. O'Mara*  
58<sup>th</sup> Senate District



*Philip A. Palmesano*  
132<sup>nd</sup> Assembly District



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124<sup>th</sup> Assembly District