November 24, 2020

The Honorable Andrew M. Cuomo Governor of New York State NYS State Capitol Building Albany, NY 12224

RE: Use Unspent CARES Act Funds for Small Business Grants

Dear Governor Cuomo:

New York small businesses are suffering due to the COVID-19 pandemic. Thousands of small businesses are facing bankruptcy at this time due to a significant decline in economic activity beginning in March of this year. New York State needs to provide grant funding to small businesses so they can remain economically viable until we recover from the pandemic. We, the undersigned, hereby request New York State use unspent CARES Act funds for small business grants.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act (Public Law No: 116-136), a \$2.2 trillion economic stimulus bill, was passed by the Congress and signed into law by President Donald Trump on March 27, 2020 in response to the economic crisis during the COVID-19 pandemic. There is still nearly \$2 billion in unspent NY Cares Act funds available of the initial \$5.1 billion in federal funding.¹

New York should spend CARES Act funds for the purpose of grants to small businesses around the state. This is not just about small businesses. These small businesses employ thousands of workers who rely on a paycheck to survive. Unemployment leads to additional costs to the public besides the pain and suffering experienced by the families of the unemployed. In New York City especially, many minorities, who are disproportionately impacted by the pandemic, rely on small businesses for both services and employment.

In a survey conducted this past July by the New York City Comptroller's Office of 500 certified minority- and women-owned business enterprises (MWBEs), 85% reported they may not be able to be in business in another six months unless they receive assistance either in the form of funding or legislative actions.²

Some examples of eligible costs under the CARES Act that could be covered by a small business grant program include the following:

- expenditures to reimburse the costs of business interruption caused by required closures;
- economic support for small businesses that close voluntarily to promote social distancing measures; or

¹ https://www.timesunion.com/news/article/Nonprofits-across-New-York-demand-Cuomo-release-15664565.php

 $^{^2\} https://comptroller.nyc.gov/newsroom/comptroller-stringer-making-the-grade-mwbe-report-reveals-systemic-barriers-to-competition-exclusionary-contract-language-unresponsive-city-agencies/$

• that are affected by decreased customer demand because of the COVID-19 public health emergency.³

Various states are using CARES Act funds for small business grants. On October 23, 2020, the State of Ohio announced \$125 million in CARES Act funding to provide grants to small businesses with no more than 25 employees. These grants will assist businesses to pay for a variety of expenses, including: mortgage or rent payments; utility payments; salaries, wages, or compensation for employees and contractors; business supplies or equipment; and other costs.⁴

We are at the height of the pandemic and the economic crisis and these unspent CARES Act funds need to be used for small business grants as soon as possible. Thank you for your consideration.

Sincerely yours,

Senator James Sanders Jr.

Senator John C. Liu

Senator Zellnor Myrie

Senator Monica R. Martinez

Senator Rachel May

Senator Leroy Comrie

Senator Robert Jackson

Senator Julia Salazar

Senator James Skoufis

Senator Jen Metzger

³ Page 5, U.S. Department of Treasury https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf

⁴ https://governor.ohio.gov/wps/portal/gov/governor/media/news-and-media/cares-act-funding-announcement-10232020



Senator Alessandra Biaggi



Assemblymember Charles Barron



Assemblymember Tremaine S. Wright



Assemblymember Carmen E. Arroyo



Assemblymember Nathalia Fernandez



Assemblymember Jonathan G. Jacobson



Assemblymember Steve Stern



Assistant Speaker Félix W. Ortiz

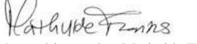


Karinés Reyes

Assemblymember Karines Reyes



Assemblymember Catalina Cruz



Assemblymember Mathylde Frontus

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Ellen C. Jeffer

Assemblymember Ellen C. Jaffee

S. Eidan

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Adrience Alamo

NYC Council Member Adrienne Adams

Margaret Chim

NYC Council Member Margaret Chin

Carolyn McLaughlin Albany County Legislator Nita Brown, Owner/Designer MansaWear

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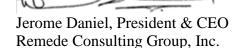
National Federation of Independent Business

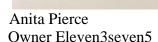
Ronnie H. Gardner

Ronnie H. Gardner Director of Diversity and Affirmative Action City of Schenectady

Taryn Hunter

Taryn Hunter, Founder and CEO Cattitude Street Strutters and Dog Trains Human Inc. Karen Tappin, CEO & Beauty Boss Karen's Body Beautiful





Kevin Melvin, Owner Lockdown Security Services Janique S. Curry J.S. Curry & Associates, LLC

Gwendolyn webber-McLeoch

Gwen Webber-McLeod, President/CEO **Gwen, Inc.**

Danielle Davis, Owner **The Dutch Pot LLC**

Anthony M. Gaddy, Founder & CEO UpState New York Black Chamber of Commerce

Carmen R Coleman, MBA, Founder and President Lifetime Financial Group, LLC

Shaun D. Wiggins, President & CEO Soteryx Corp

Margo K. Cargill, Chief Executive Officer TITANIUM LINX CONSULTING, INC.

Trent Braaf, CEO & Founder Tech Valley Shuttle

Mike Oates, President & CEO Hudson Valley Economic Development Corporation

Parash Kanwar, Owner Fresh West Hill Market

Flerida Santana Johnas, Owner Haul it Off Inc and Ikos Management LLC Josetta Jenkins-Smith Owner Healing Whispers

Deborah L. Harris, Education Consultant Leverage Assessments

Yolanda Sullivan-Hernandez/CEO Sullivan-Hernandez Agency, Inc.

Diana A. Benjamin, CEO New Genesis Pathfinder, LLC

Kyana Beckles, M.P.S., CEO Leverage Assessments, Inc.