Model Letter to Legislators, Summer-Fall 2010

Speaker Sheldon Silver

New York State Assembly

Legislative Office Building 932

Albany, NY 12248

Senate Majority Conference Leader John Sampson

New York State Senate

Legislative Office Building 409

Albany, NY 12247

Governor David A. Paterson

New York State Capitol

Albany, NY 12224

**Re: Memo in Support: S8423 (Onorato) /A11607 (John)**

To Speaker Silver, Senator Sampson, and Governor Paterson

We are writing to urge you to finish the job of unemployment insurance reform this month.

Last week, unemployment insurance (UI) reform took a major step forward when Governor Paterson put forward a program bill which has since been introduced as S8423/A11607. The legislation includes the first increase in the maximum weekly benefit amount in a decade—recognizing that $405 per week is nowhere near enough for New Yorkers to live.

Moreover, for the first time, the Paterson administration has publicly endorsed the concept of implementing lasting systemic changes to the program. The Governor has now agreed to index both the maximum weekly benefit amount and the amount of wages subject to UI taxation (the taxable wage base) to growth in wages in the state. These are the crucial concepts that undergird the leading legislative proposals – A4921-B and S2245-B – as well. These changes would mean that New York’s UI benefit amounts will never fall so badly behind the needs of working families and will finally put the UI trust fund, which has been depleted since January 2009 and is now relying on federal support, back on stable ground.

With the introduction of S8423/A11607, it is now clear that all three decision-making bodies in Albany – the Senate, Assembly and Governor – have agreement on the core building blocks of UI reform. We urge you to finish the job and enact systemic UI reform this session.

Even with these positive changes, however, there is still work to do. Primarily, we are concerned that the legislation’s increased penalties for claimant fraud and employee misconduct could unfairly punish New Yorkers who make mistakes during the UI application process, which is unclearly worded and difficult to understand. Yet, we are confident the legislature can work through these issues and move legislation this year.

Albany cannot afford to wait any longer to fix the unemployment program. With over 800,000 New Yorkers out of work, strengthening the unemployment program will speed the recovery and sustain New York families who can’t find work in today’s weak job market. And, Albany must start stabilizing an unemployment trust fund that faces a $3 billion deficit, which it is not expected to come out until 2018. Inaction will lead to $5 billion in federal unemployment tax penalties on New York employers. In contrast, legislation under consideration will bring the fund back into the black sooner (S8423/A11607 is projected to bring the fund back into the black by 2015) and spare small businesses from hundreds of millions in unnecessary taxes and interest payments.

New Yorkers have waited 10 years for an increase in jobless benefits. Please exhibit the leadership to make reform a reality.

Sincerely,

cc: National Employment Law Project, 75 Maiden Lane, Suite 601, NY, NY 10038 (criordan@nelp.org)