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March 27, 2020

Governor Andrew Cuomo
State Capitol
Albany, New York

**Memorandum for Immediate Executive Order:
Protect Self-Insured Nonprofits for Unemployment**

Dear Governor Cuomo,

For unemployment insurance, many of New York's charitable nonprofits elect to self-insure and reimburse State Unemployment Insurance Fund (SUI) fully, dollar for dollar, for the benefit claims of terminated, laid off or furloughed employees. The unimaginable advent of COVID-19 has completely upended the economy, unemployment is skyrocketing, and due to the recent federal stimulus package, self-insured nonprofits are added organizational peril.

As you may be aware, the stimulus package protects the unemployment experience rating and related financial risks in SUI by providing 100% benefit reimbursement for claims due to the COVID-19 pandemic; however, **self-insured nonprofits are to be reimbursed for only half (50%) of the costs incurred.** It is now up to the State of New York to immediately act, as other states have done (Michigan, Kentucky, and Montana, for example), to *protect and hold harmless* self-insured charitable organizations.

We urge you to issue an Executive Order to provide a *temporary waiver* of the requirement that *all* unemployment claims related to the COVID-19 crisis be charged to an individual employer's unemployment account and thus, subject to 50% reimbursement by self-insured charities. In doing so, the State of New York will be ensuring that there will be no discrimination among employers in this regard and that the financial viability and sustainability of these charities will be strengthened, rather than further weakened.

Attached is a list of charitable nonprofits that in just 24 hours signed on as supporters of this action. Also, included are several testimonials. As you can see, the list spans across our great state and represents the mission diversity of our sector.

On behalf NYCON's 3,000 members and all New York nonprofits, thank you so much for your leadership during these difficult times.

Sincerely,

William D. Sauer, CEO
New York Council of Nonprofits, Inc.

NYCON's Family of Nonprofit Services >>>> Practical Solutions. Answers You Can Trust.



Regional Offices >>> New York City Poughkeepsie Oneonta

Supporter Signatures



VERA HOUSE

America Loves Kids
Albany, NY

Arbor Park Child Care Center
Albany, NY

Brightside Up
Menands, NY

Catholic Family Center
Rochester, NY

Child Care Resources of Rockland, Inc.
Spring Valley, NY

Community Foundations of the Hudson Valley
Poughkeepsie, NY

Dancing Classrooms
New York, NY

Elizabeth Mascia Child Care Center
Tarrytown, NY

Exceptional Family Resources
Syracuse, NY

Gay Alliance of Genesee Valley, Inc
Rochester, NY

Genesee Country Village & Museum
Mumford, NY

Governance Matters, Inc.
New York, NY

Greater Rochester Area Partnership for the Elderly
Rochester, NY

Hanford Mills Museum
East Meredith, NY

Healthy Schools Network
Albany, NY

Innovative Charitable Initiatives
Albany, NY

Mid-Hudson Children's Museum
Poughkeepsie, NY

New York Youth Symphony
New York, NY

NY Funders Alliance
Syracuse, NY

Putnam Arts Council
Mahopac

Oneonta Boys and Girls Club
Oneonta, NY

Radio Kingston
Kingston, NY

Saratoga Springs Preservation Foundation
Saratoga Springs, NY

Seagle Music Colony
Schroon Lake, NY

Service Program for Older People, Inc. (SPOP)
New York, NY

The Council on Addiction Recovery Services
Olean, NY

The Margaret Woodbury Strong Museum
Rochester, NY

The Walter Thompson Orchestra
Brooklyn, NY

Trinity Alliance of the Capital Region, Inc.
Albany, NY

Vera House, Inc.
Syracuse, NY

Woodstock Jewish Congregation
Woodstock, NY

Testimonials

I'm writing to express Saratoga Rowing Association's support for an Executive Order by Governor Cuomo to include fully reimbursing employers for any added unemployment costs due to COVID-19. The loss of our spring regatta income is a substantial detriment to our organization. We are working diligently to keep our staff employed as long as possible, we also want to maintain the financial integrity of our small nonprofit and ensure we will be able to reopen our doors when this crisis is over. The regattas generate an estimated \$8.9 million economic impact to Saratoga County and SRA wants to do our part to keep those events being an economic driver in our community. – Saratoga Rowing Association

I am in full support of an immediate order by Governor Cuomo to include full reimbursement of all employers like mine for any added unemployment costs due to COVID-19. Thank you for your work on this matter. – Seagle Music Colony

Much to the benefit of millions of Americans, the federal stimulus package in response to Covid 19 is expected to bring much needed enriched and extended unemployment benefits to millions who are out work due to COVID-19. However, the legislation reimburses self-funded nonprofits, like the Council on Alcoholism and Substance Abuse (CAREs), for only half (50%) of the costs of the benefits provided to their laid-off or furloughed employees. Although at the CAREs has been fortunate to have not been required to lay off or furlough employees, and certainly hope that this will not come to fruition, the possibility of such a move looms large in these uncertain days.

We contend that it is now up to the State of New York to protect self-insuring nonprofit employers by holding them harmless for the cost of all (100%) of the unemployment claims incurred, or that may be incurred because of COVID-19. The reality is a potential for financial failure and closure of hundreds if not thousands of nonprofits, for no fault of their own, in the State of New York. Even in the event that CAREs does not have to lay off or furlough its employees, we stand solidly with the Board of Directors, CEOs, Management Staff and staff of NYS non-profit organizations, who though their efforts provide needed services to millions of New Yorkers who would not receive assistance, guidance, and hope without them. We believe that there should be no discrimination among employers in this regard to the above-described benefit. All should be treated the same, particularly in this time of great need. – The Council on Addiction Recovery Services

The Margaret Woodbury Strong Museum (DBA The Strong) fully supports an immediate Executive Order by Governor Cuomo to include to fully reimburse all employers for their added unemployment costs due to COVID-19. We self-insure our Unemployment costs and having to cover the increased unemployment benefits mandated by the federal stimulus package would be catastrophic to the museum, especially in light of not receiving any revenue from being shut down to visitation. – The Margaret Woodbury Strong Museum