



NEW YORK STATE SENATOR

George M. Borrello

Senators Borrello, Murray, and Helming Call on Governor to Combat Inflation by Eliminating Unemployment Insurance Debt Burdening Employers

GEORGE M. BORRELLO December 30, 2024

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The Senate Chamber

Republican senators argue UI debt is hurting businesses and consumers

ALBANY, NY – In the wake of Governor Hochul’s recent announcement regarding an “inflation refund” plan, Republican Senators George Borrello, Dean Murray, and Pam

Helming, all members of the Senate Committee on Small Business, Commerce and Economic Development, have called on the governor to take decisive action to alleviate the burdens facing New York's small businesses.

In a joint letter, the Senators urged Governor Hochul to dedicate state funds to paying off the roughly \$6 billion in Unemployment Insurance (UI) Fund debt that is still owed to the federal government, a critical step that they argue would provide a more effective and long-term solution to alleviating inflation and reducing consumer costs.

The senators highlighted that New York State's UI Fund debt, accrued during the COVID-19 pandemic, has placed an undue financial burden on small businesses, forcing them to shoulder higher unemployment insurance premiums. These increased costs threaten to stifle recovery efforts for small businesses that are already grappling with inflation and other economic pressures.

"Instead of following the commonsense approach of other states and using some of the billions in federal COVID aid to pay down the unemployment debt, the governor unfairly shifted the burden to businesses and employers through the Unemployment Insurance Assessment Surcharge (UIAS)," **said Senator George Borrello, 57th District.** "Since the UI deficit stems from the government-mandated shutdown during the pandemic, it is only fair that employers are not left to shoulder these costs."

Senator Dean Murray, the Ranking Member of the Committee, emphasized the connection between this issue and rising consumer costs.

"By eliminating a massive expense for employers and businesses, we are helping them and

allowing them to lower the costs of goods and services, which in turn, helps consumers. Instead of a one-shot check, this brings long-term relief for everyone,” **said Senator Dean Murray, 3rd District.**

The legislators also underscored that addressing the UI debt would demonstrate the state’s commitment to supporting its small business community.

“The state must take full financial responsibility for its UI debt to the federal government and end this burden on our small businesses and family farms,” **said Senator Pam Helming, 54th District.** “If we truly want to help our employers grow and protect local jobs, we must reduce the cost of doing business in New York State. Our economic success depends on it.”

The senators are calling on the governor to act swiftly and decisively to address the issue before it further impacts New York’s economy. Their letter is attached.

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