



NEW YORK STATE SENATOR

Thomas F. O'Mara

## O'Mara, Friend and Palmesano call on Cuomo to stop delaying payments to nonprofit organizations: Say it's worst time for state to pull back on obligations to not-for-profit sector lifelines during pandemic

THOMAS F. O'MARA July 31, 2020

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**Elmira, N.Y., July 31**—After hearing reports from regional and statewide nonprofit agencies and organizations that New York State is delaying state contracts and payments, Senator Tom O'Mara (R,C,I-Big Flats), Assemblyman Chris Friend (R,C,I-Big Flats) and Assemblyman Phil Palmesano (R,C,I-Corning) today sent a letter to Governor Andrew Cuomo urging the repeal of the Executive Order responsible for suspending the state's prompt payment laws.

The area lawmakers said that in early July, Cuomo issued Executive Order 202.48 suspending prompt payments. They called on the governor to immediately rescind the order, which is having a particularly devastating impact on the not-for-profit sector, and fulfill the state's obligations to nonprofits.

They stressed that at the same time the COVID-19 crisis has increased the demand for human services to confront unemployment, food insecurity, child care and many other challenges, the state's payment delays are jeopardizing the ability of many nonprofits to continue operating and providing programs and services. That's also the case for 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, they said.

In their July 31 letter to the governor, O'Mara, Friend and Palmesano wrote, "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, an 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." [see attached copy of today's letter]

They also highlighted the fact that the not-for-profit sector serves as the primary lifeline for countless New Yorkers, especially for some of the state's most vulnerable populations, and employs approximately 1.3 million workers.

“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,” O’Mara, Friend and Palmesano wrote.