



February 01, 2021

Senate Majority Leader Stewart - Cousins, Assembly Speaker Heastie, Senate Finance Chair Krueger, Assembly Ways & Means Chair Weinstein,

New Yorkers are beginning to see the light at the end of the tunnel of this pandemic. Unfortunately, for many businesses and local governments, the financial fallout will be felt for years to come.

Many of the businesses we represent are teetering on the edge of bankruptcy and many of the municipalities where our member businesses are located are facing massive budget shortfalls. Despite these challenges, the cost and threat of litigation in New York remains high. Businesses and individuals are more likely to get sued in New York than anywhere else. Our friends in local governments spend

more on litigation than local governments elsewhere. In fact, the City of New York spends more on litigation than the next nineteen largest American cities combined.

A proposal in Governor Cuomo's FY2022 Executive Budget (PPGG, Part AA) provides relief to both the business community and local governments, while simultaneously modernizing our courts and improving access to justice. Under current law, defendants pay nine percent interest on court judgements. The current market rate has averaged below three percent for the last five years. The Governor's proposal would link the interest rate to the weekly average one-year constant maturity treasury yield, which is the same rate utilized by the Federal court system.

The proposal would save both the public and private sector millions every year. Further, it would improve access to justice by ensuring that our businesses and municipalities can utilize the appeals process without the punishing nine percent interest rate. Additionally, the proposal is flexible, and would automatically adjust as the market rate changes.

With this proposal, New York has an opportunity save millions, modernize our court system, and improve New Yorkers access to justice. We strongly urge you to include this proposal in your FY2022 budget proposals.

Thank you for your consideration,

Associated Builders and Contractors of New York State

Associated General Contractors of New York State

Big I NY

Buffalo Niagara Partnership

Business Council of Westchester

The Business Council of New York State

Capital Region Chamber of Commerce

CenterState CEO

Empire State Forest Products Association

Food Industry Alliance

Greater Rochester Chamber of Commerce

Greater Binghamton Chamber of Commerce

The Lawsuit Reform Alliance of New York

National Federation of Independent Business New York

New York Farm Bureau

New York State Builders Association

New York State Economic Development Council

New York State Restaurant Association

Northeast Agribusiness and Feed Alliance

Northeast Dairy Producers Association

Northeastern Retail Lumber Association

Trucking Association of New York State

Unshackle Upstate