



Legislation Text

File #: Res 1741-2013, **Version:** *

Res. No. 1741

Resolution calling upon the United States Department of Labor to assume the cost of all Hurricane Sandy related unemployment claims through the Federal Disaster Unemployment Assistance Program and on the New York State Department of Labor to exempt businesses from paying unemployment claims due to Hurricane Sandy and all future disasters.

By Council Members Reyna, Chin, Comrie, Dickens, Eugene, Fidler, Gentile, James, King, Lander, Mendez, Richards, Rose, Vann, Wills, Koppell, Nelson, Van Bramer, Brewer and Ulrich

Whereas, On October 29, 2012, the storm known as Hurricane Sandy devastated many communities in New York City and the surrounding areas; and

Whereas, As the storm approached, public transportation service was suspended and many businesses were forced to close their doors and send their workers home early; and

Whereas, In addition to causing loss of life, halting public transportation, forcing school closures, and damaging infrastructure and houses of worship, the storm damaged and in some instances completely destroyed businesses located throughout the City; and

Whereas, Many of the businesses impacted by the storm remained closed for weeks which left their employees without work; and

Whereas, In the days after the storm, the New York State (“N.Y.S.”) Department of Labor provided several informational handouts at community forums and gatherings regarding Disaster Unemployment Assistance (“DUA”); and

Whereas, DUA is a federal program funded by the United States Department of Labor, that provides payments to people who live or work in a federally declared disaster area and who have lost work or income due to the disaster; and

Whereas, Although the federal government funds DUA, the N.Y.S. Department of Labor makes payments to those who qualify; and

Whereas, Employers were led to believe that their workers would be covered by this federal assistance program and were encouraged to have their workers apply; and

Whereas, However, according to articles published in Crain's New York, business owners later found out that any worker that would qualify for regular unemployment insurance benefits would not qualify for DUA; and

Whereas, According to the N.Y.S. Department of Labor, whenever any claim for unemployment is filed it counts against an employer's insurance account and increases the employer's insurance tax rate; and

Whereas, It is safe to say that the majority of claims submitted in the days immediately following the storm were directly related to the disaster; and

Whereas, Businesses impacted by the storm have had many obstacles to surmount and should not be penalized as if they intentionally terminated workers; and

Whereas, The strength of the business community and the workers it employs is critical to New York City's recovery from Hurricane Sandy as it has been to other devastating events; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the United States Department of Labor to assume the cost of all Hurricane Sandy related unemployment claims through the Federal Disaster Unemployment Assistance Program and on the New York State Department of Labor to exempt businesses from paying unemployment claims due to Hurricane Sandy and all future disasters.

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