STATE OF NEW YORK

8988

2025-2026 Regular Sessions

IN ASSEMBLY

August 13, 2025

Introduced by M. of A. SLATER -- read once and referred to the Committee on Economic Development

AN ACT to amend the labor law, in relation to the office of strategic workforce development; to repeal section 100-b of the economic development law, relating thereto; and in relation to transferring the office of strategic workforce development from the department of economic development to the department of labor

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Short title. This act shall be known and may be cited as the "workforce development consolidation act of 2025".

§ 2. Legislative findings and intent. The legislature finds that a fragmented approach to workforce development across multiple state agencies has led to inefficiencies, duplication of services, and a lack of alignment with the evolving needs of New York's economy. The current system presents challenges for job seekers and employers alike. The legislature further finds that consolidating workforce development programs under a single, strategic office will streamline administration, improve accessibility, enhance accountability, and better align training with the demands of high-growth industries. It is the intent of the legislature to consolidate all workforce development programs currently administered by various New York state agencies into the office of strategic workforce development that will now be part of the department of labor, thereby modernizing and strengthening New York state's workforce development system.

§ 3. Section 100-b of the economic development law is REPEALED.

§ 4. Transfer of functions. Notwithstanding the provisions of any law to the contrary, all of the duties, functions and powers of the office of strategic workforce development are hereby transferred, assigned to, and assumed by the department of labor and the commissioner thereof as may be applicable.

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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§ 5. Transfer of employees. Notwithstanding any other provision of law, rule, or regulation to the contrary, upon the transfer of functions from the department of economic development to the department of labor pursuant to this act, all employees of the office of strategic workforce development shall be transferred to the department of labor to be retained within the office of strategic workforce development. Employees transferred pursuant to this section shall be transferred without further examination or qualification and shall retain their respective civil service classifications, status, and collective bargaining unit designations and collective bargaining agreements. No individual transferred pursuant to this act shall suffer a reduction in salary.

§ 6. Transfer of facilities, records, and equipment. The commissioner of economic development shall transfer and deliver to the commissioner of labor all facilities, vehicles, books, papers, records, and equipment of the office of strategic workforce development to the department of labor so as to enable the department of labor to carry out the transferred functions of the office set out in section four of this act.

§ 7. Completion of unfinished business. Any business or other matter undertaken or commenced by the department of economic development pertaining to or connected with the functions, powers, obligations, and duties transferred and assigned pursuant to this act to the department of labor, and pending on the effective date of this act, may be conducted and completed by the department of labor in the same manner and under the same terms and conditions and with the same effect as if conducted and completed by the department of economic development.

§ 8. Continuation of rules and regulations. All rules, regulations, acts, orders, determinations, and decisions of the office of strategic workforce development or the department of economic development pertaining to the functions and powers transferred and assigned pursuant to this act, in force at the time of such transfer and assumption, shall continue in force and effect as rules, regulations, acts, orders, determinations, and decisions of the department of labor until duly modified or abrogated by the commissioner of labor.

§ 9. Terms occurring in laws, contracts, and other documents. Whenever the office of strategic workforce development is referred to or designated in any law, contract, or document pertaining to the functions, powers, obligations, and duties transferred and assigned pursuant to this act, such reference or designation shall be deemed to refer to the office of strategic workforce development as continued in the department of labor.

§ 10. Pending actions or proceedings. No action or proceeding pending at the time when this act shall take effect, brought by or against the office of strategic workforce development shall be affected by this act, but the same may be prosecuted or defended in the name of the commissioner of labor or the office. If the department of economic development is a party in any such actions and proceedings, the commissioner of labor or the office, upon application to the court, shall be substituted as party.

§ 11. Transfer of appropriations. All appropriations made to the department of economic development relating to the office of strategic workforce development, to the extent of remaining unexpended balances, shall be transferred by the comptroller to and made available for use by the department of labor, subject to the approval of the director of the budget, for the payment of liabilities previously incurred by the functions transferred pursuant to this act. Payments for liabilities for expenses of personal service, maintenance, and operation previously

incurred by the transfer of functions and for liabilities incurred and to be incurred shall be made on vouchers or certificates approved by the commissioner of labor on audit and warrant of the comptroller.

§ 12. Transfer of assets and liabilities. All assets and liabilities of the office of strategic workforce development as part of the department of economic development shall be transferred to and assumed by the office as part of the department of labor.

§ 13. Transfer of workforce development programs. All existing workforce development programs shall be transferred and administered by the office of strategic workforce development within sixty days of the effective date of this section.

§ 14. The labor law is amended by adding a new article 24-B to read as follows:

ARTICLE 24-B

OFFICE OF STRATEGIC WORKFORCE DEVELOPMENT

Section 855. Definitions.

855-a. Responsibilities of the office.

855-b. Transition task force.

855-c. Annual reporting.

§ 855. Definitions. For the purposes of this section, the following terms shall have the following meanings:

1. "Workforce development program" means any program administered by a New York state agency or public authority that provides training, education, job placement assistance, or related services to individuals seeking employment or to employers seeking to train or upskill employees.

2. "Office" means the office of strategic workforce development.

§ 855-a. Responsibilities of the office. The office of strategic workforce development shall:

1. administer all consolidated workforce development programs and associated funding;

2. conduct a comprehensive review of existing workforce training programs to identify redundancies, inefficiencies, and opportunities for improvement, and to ensure compliance with the federal workforce innovation and opportunity act, pursuant to chapter thirty-two of title twenty-nine of the United States code within six months of the effective date of this section;

3. develop and implement a streamlined, unified application system for all workforce development programs to simplify access for applicants;

4. implement and maintain an applicant tracking system to monitor applicant progress from submission through program completion and job placement. Such applicant tracking system shall be utilized to collect and analyze data on program participation, demographics, training outcomes, and employment rates;

5. establish and utilize standardized performance metrics to evaluate the effectiveness of all workforce development programs. Such metrics shall include, but are not limited to, job placement rates, wage levels, retention rates, and skill attainment;

6. launch and maintain a statewide public awareness campaign to educate residents of the state of New York about the consolidation of workforce development programs, the services available, and how to access those services. Such campaign shall utilize various communication channels, including but not limited to online resources, social media, community outreach, and partnerships with employers and community organizations;

7. prioritize training programs in high-growth industries, including but not limited to technology, healthcare, manufacturing, and green

energy, in alignment with local, regional and statewide economic development priorities; and

8. coordinate closely with regional economic development councils to ensure that workforce training programs meet local labor market needs and support regional economic development strategies.

§ 855-b. Transition task force. A transition task force shall be established within thirty days of the effective date of this section to oversee the transition of the office to the department of labor pursuant to the chapter of the laws of two thousand twenty-five which added this article. Such task force shall be composed of representatives from the office, the department of labor, the department of education, the department of health, empire state development, and other relevant agencies and stakeholders, as necessary.

§ 855-c. Annual reporting. The department shall submit a report to the governor, the temporary president of the senate, and the speaker of the assembly no later than December thirty-first of each year. In preparing the report, the department shall coordinate with the department of education, the state university of New York, the city university of New York, the office of temporary and disability assistance, the office of children and family services, the urban development corporation and its subsidiaries, and any other relevant agency or entity. Such report shall include, but need not be limited to: aggregate totals for each economic development program administered directly by the office, and aggregate totals for related programs in other agencies wherein such program funds are appropriated within the office, the number of awards made since the last report as well as the number of awards made to date, the number of business partners secured through such awards, the dollar total of such awards, regional distribution of such awards, the identified statewide and regional priority sectors as identified by the urban development corporation with input from the regional economic development councils including a description of each such sector, the number of trainees assisted through such awards, leveraged matching funds associated with awards, program participation rates, industry trends, and any other information deemed necessary by the commissioner.

§ 15. This act shall take effect immediately.