

1 BEFORE THE NEW YORK STATE SENATE FINANCE
2 AND ASSEMBLY WAYS AND MEANS COMMITTEES

3 JOINT LEGISLATIVE HEARING

4 In the Matter of the
5 2023-2024 EXECUTIVE BUDGET ON
6 WORKFORCE DEVELOPMENT

7
8 Hearing Room B
9 Legislative Office Building
10 Albany, New York

11
12 March 1, 2023
13 3:36 p.m.

14 PRESIDING:

15 Senator Liz Krueger
16 Chair, Senate Finance Committee

17 Assemblywoman Helene E. Weinstein
18 Chair, Assembly Ways & Means Committee

19 PRESENT:

20 Senator Jack Martins
21 Senate Finance Committee (Acting RM)

22 Assemblyman Edward P. Ra
23 Assembly Ways & Means Committee (RM)

24 Senator Jessica Ramos
25 Chair, Senate Committee on Labor

26 Assemblywoman Latoya Joyner
27 Chair, Assembly Committee on Labor

28 Senator Robert Jackson
29 Chair, Senate Committee on Civil Service
30 and Pensions

1 2023-2024 Executive Budget
2 Workforce Development
3 3-1-23

4 PRESENT: (Continued)

5 Assemblywoman Stacey Pheffer Amato
6 Chair, Assembly Committee on
7 Governmental Employees

8 Senator Steven D. Rhoads

9 Assemblyman Phil Steck

10 Assemblyman Joe DeStefano

11 Senator Shelley Mayer

12 Assemblyman Harry Bronson

13 Assemblywoman Jo Anne Simon

14 Senator Alexis Weik

15 Assemblyman Jonathan G. Jacobson

16 Assemblyman Billy Jones

17 Assemblywoman Nikki Lucas

18 Assemblyman Michael Durso

19 Assemblywoman Jodi Giglio

20 Assemblyman Robert Smullen

21 Senator Michelle Hinchey

22 Assemblywoman Rebecca A. Seawright

23 Assemblyman Juan Ardila

24 Assemblywoman Donna A. Lupardo

Assemblyman Matt Slater

Assemblywoman Gina L. Sillitti

1 2023-2024 Executive Budget
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 3 3-1-23

4 PRESENT: (Continued)

5 Assemblyman Brian Manktelow

6

7

LIST OF SPEAKERS

8

STATEMENT QUESTIONS

9

Roberta Reardon
 Commissioner
 Department of Labor

10 -and-

11 Timothy Hogues
 Commissioner
 NYS Department of
 12 Civil Service

-and-

13 Michael N. Volforte
 Director
 14 NYS Office of
 Employee Relations

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15

Edward Farrell
 Executive Director
 Retired Public Employees
 17 Association

-and-

18 Barbara Zaron
 President
 19 Organization of NYS Management
 Confidential Employees (OMCE)

20 -and-

21 Joshua H. Terry
 Legislative Director
 CSEA Local 1000, AFSCME

22 -and-

23 Randi DiAntonio
 Vice President
 NYS Public Employees
 24 Federation (PEF)

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4 LIST OF SPEAKERS, Continued

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James A. Parrott, Ph.D. Director of Economic and Fiscal Policies Center for New York City Affairs at The New School -and- Paul K. Sonn State Policy Program Director National Employment Law Project -and- Hugh Baran Attorney Kakalec Law LLC -for- EmPIRE Coalition			
		221	232
Tal Frieden Campaign Coordinator for Raise Up NY ALIGN -and- Angeles Solis Director of Worker Organizing -and- Lucas Sanchez Co-Executive Director New York Communities for Change -and- Adam Flint Director, Clean Energy Programs Network for a Sustainable Tomorrow (NEST) Convener, NYS Climate Education and Clean Energy Careers Working Group			
		257	270

1 CHAIRWOMAN KRUEGER: I love that my
2 budget hearing introduction says "good
3 morning." I think we'll skip that part.

4 But I do want to invite the first
5 panel of commissioners to come up to the
6 table, please. And that would be, in case
7 you forgot who you were, Roberta Reardon,
8 Timothy Hogues, and Michael Volforte. So
9 that would be Department of Labor, State
10 Department of Civil Service, and Governor's
11 Office of Employee Relations, if you'd all
12 come up to the table. Thank you.

13 Okay, let's just get rolling. Okay,
14 so let's try good afternoon, everyone. I'm
15 Liz Krueger, chair of the New York State
16 Senate Finance Committee, and I'm cochairing
17 today's budget hearing with my colleague and
18 friend Helene Weinstein, from Assembly Ways
19 and Means. This is the last of 13 hearings
20 conducted by the joint fiscal committees of
21 the Legislature regarding the Governor's
22 proposed budget for fiscal year '23-'24.

23 These hearings are conducted pursuant
24 to the New York State Constitution and

1 Legislative Law. What's that noise I'm
2 hearing?

3 UNIDENTIFIED SPEAKER: Duct tape.

4 CHAIRWOMAN KRUEGER: Okay, fine, duct
5 tape.

6 UNIDENTIFIED SPEAKER: Safety.
7 Safety.

8 CHAIRWOMAN KRUEGER: We're holding the
9 building together. Thank you.

10 (Laughter.)

11 CHAIRWOMAN KRUEGER: Today the Senate
12 Finance Committee and Assembly Ways and Means
13 Committee will hear testimony concerning the
14 Governor's proposed budget for the New York
15 State Department of Labor, the New York State
16 Department of Civil Service, and the New York
17 State Governor's Office of Employee
18 Relations.

19 Following each person's testimony --
20 and that's 10 minutes each, for you three --
21 there will be some time for questions from
22 the chairs of the fiscal committees and other
23 related committees.

24 I will now introduce members of the

1 Senate, and Assemblymember Helene Weinstein
2 will introduce members of the Assembly. I'm
3 just quickly taking a look to see who's
4 joined us. I see Senator Ramos, the chair of
5 Labor, Senator Shelley Mayer, Senator Jack
6 Martins, whose double role today is the
7 temporary ranker of Finance as well as the
8 ranker -- of Labor? Of Labor, excellent.

9 And I'm going to turn it over to
10 Helene to introduce Assemblymembers.

11 CHAIRWOMAN WEINSTEIN: Thank you.

12 We have been joined by Assemblywoman
13 Joyner, chair of our Labor Committee;
14 Assemblywoman Pheffer Amato, chair of
15 Government Employees; Assemblyman Jacobson,
16 Assemblywoman Seawright, Assemblywoman Simon,
17 Assemblywoman Zinerman.

18 And Assemblymember Ra, would you
19 please -- our ranker, would you please
20 introduce your colleagues?

21 ASSEMBLYMAN RA: Thank you.

22 Good afternoon. We're joined by
23 Assemblyman DeStefano, our ranker on
24 Government Employees, and Assemblymembers

1 Giglio, Durso and Smullen.

2 CHAIRWOMAN KRUEGER: And I apologize,
3 I forgot to introduce Senator Weik, who is
4 the ranker for the Civil Service Committee.
5 I think now I have all the Senators.

6 I'm going to just go through some of
7 the basic rules we have for all hearings.
8 Sometimes they're actually followed. Our
9 governmental witnesses get 10 minutes each to
10 testify. Our nongovernmental witnesses get
11 three minutes each.

12 For questions, Chairs Weinstein and
13 Krueger and the relevant chairs of the
14 committees get 10 minutes to ask questions of
15 the government reps and three-minute
16 follow-ups. Rankers get five minutes, no
17 second round. All other members get three
18 minutes, no second round.

19 Then when we move to the
20 nongovernmental panels, everyone's equal. We
21 only get three minutes to ask you questions
22 and to get the answers.

23 It's important to highlight -- and
24 this is for the legislators in the room --

1 when you have a clock in front of you and you
2 know you have three minutes or five minutes,
3 if you ask a question that takes two minutes
4 and 15 seconds or 4 minutes and 59 seconds,
5 you give your panel guests no time to answer
6 it. That can be a problem.

7 You can say, This is too technical a
8 question, I hope you'll get back to us. And
9 the answer is yes, please do get back to us
10 in writing. If you send the letters to
11 Helene and myself, we will make sure that
12 they are sent to all members of the relevant
13 committees. So regardless of who asked you
14 the question, we'll all get the answer. And
15 we appreciate that.

16 Okay, so please note the time limits
17 do apply to the question and the answer in
18 total. When you see a clock, one minute
19 before your time is up there will be a yellow
20 light and a beep or -- a sound that goes off
21 to let you know.

22 Okay, I don't know that this will be
23 an issue today, but we'll see. So no
24 PowerPoint presentations, no placards, no

1 signs, no public demonstrations are allowed
2 during the hearing.

3 And with that, I would like to -- oh,
4 Helene has some additions.

5 CHAIRWOMAN WEINSTEIN: I just want to
6 acknowledge Assemblyman Bronson has joined us
7 also.

8 CHAIRWOMAN KRUEGER: Great, thank you.
9 Okay. With that, I think we'll just
10 take you in the order you are on the agenda:
11 Commissioner Reardon first, Commissioner
12 Hogues second, and Michael Volforte, the
13 director of the Governor's Office of Employee
14 Relations. So you each get 10 minutes. You
15 may have much more detailed legislation
16 {sic}; highlight your bullet points, you only
17 have 10 minutes. And yes, every person who
18 has submitted testimony for this hearing,
19 whether they're testifying or not, that is
20 available on the Senate website. So you can
21 look it up, legislators can look it up, and
22 20 million New Yorkers can look it up if they
23 like. So we're trying to cut down on the
24 number of trees we kill each hearing this

1 year.

2 Okay. And after everybody has
3 testified, then we will be able to start the
4 questions.

5 So Senator Reardon -- Senator Reardon?

6 (Laughter.)

7 CHAIRWOMAN KRUEGER: How about -- I
8 don't know, it's good, it's bad, it depends
9 on the day. Commissioner Reardon.

10 COMMISSIONER REARDON: I've been
11 elevated. Thank you.

12 Chairs Krueger and Weinstein,
13 distinguished members of the committees,
14 thank you for this opportunity to talk about
15 Governor Hochul's Executive Budget and to
16 update you on our efforts at the Department
17 of Labor.

18 I am Roberta Reardon. I'm the
19 commissioner of the New York State Department
20 of Labor. Our mission is transforming
21 New York's world of work, which includes
22 protecting workers, providing support to the
23 unemployed, helping businesses thrive, and
24 guiding New Yorkers into careers they love.

1 Our work is critically important to
2 New York State, and I am proud of the
3 milestones that we have achieved. When the
4 pandemic hit, businesses statewide were
5 shuttered, everyone was home. New Yorkers
6 were desperately searching for relief for
7 their families. It was clear that our first
8 priority was to ensure that New Yorkers
9 received their Unemployment Insurance
10 benefits quickly so they could feed and house
11 their families.

12 The pandemic did not defeat us. We
13 overcame the hurdles, and I am so proud of
14 not only what we've become, but what we are
15 evolving into to better serve New Yorkers.
16 There were many teachable moments during the
17 pandemic, and we did not let a single one go
18 to waste.

19 Perhaps the greatest challenge we
20 faced during the crisis was new and novel
21 forms of unemployment identity fraud. What
22 we experienced during the pandemic was
23 extremely unusual and unlike anything seen
24 before in our government's history. There is

1 a lack of understanding about what we were up
2 against at the time, and I want to clear up
3 any misconceptions.

4 We, as a state, were a victim of
5 unemployment identity fraud. Like every
6 state in the union, we were battered by
7 international cybercriminals. All systems
8 nationwide were under attack. This fraud was
9 so sophisticated that it literally tricked
10 every system in the country.

11 Throughout the course of the pandemic,
12 the department distributed over \$105 billion
13 in unemployment benefits to support nearly
14 5 million New Yorkers. We have identified
15 \$4 billion in unemployment fraud stolen by
16 criminals during that time. To be clear, any
17 fraud is unacceptable. But I want to give
18 you more perspective about that figure. It
19 represents about 3.8 percent of what we paid
20 in total to support New Yorkers.

21 We have since implemented many
22 safeguards to protect our systems, including
23 multifactor authentication, ID.me,
24 cross-matching, and other measures to enhance

1 security for our customers and prevent future
2 fraud. We also continue to aggressively
3 pursue criminals to claw back stolen funds,
4 including half a billion dollars already
5 today. By today, not today.

6 While the pandemic was a turbulent
7 time, I am proud of the work the department
8 did to help New York families survive. We
9 worked around the clock, side by side in the
10 trenches during one of the most uncertain
11 moments in U.S. history. I remain forever
12 grateful to my colleagues for their
13 dedication and commitment to helping their
14 fellow New Yorkers. I also want to thank all
15 of you and your staff for working so closely
16 with us during the pandemic. We simply could
17 not have done it alone, and we appreciate
18 your offices helping us during such a
19 challenging time.

20 And while this was a pivotal chapter,
21 it is not the end of our story. This crisis
22 does not define us as an agency. We are so
23 much more than that. We have turned the
24 page. We are focused on the next chapter,

1 and I know that it is one with a promising
2 future. Thanks to the leadership of Governor
3 Hochul, and in partnership with the
4 Legislature, the Department of Labor has
5 harnessed the pandemic experience to
6 transform ourselves into a well-oiled, more
7 efficient, and better-prepared agency. And
8 we are doing this with our core mission, to
9 protect workers, at the forefront of our
10 minds.

11 In 2022, our Worker Protection and
12 Labor Standards teams oversaw wage theft
13 investigations that recovered \$25 million in
14 wages for nearly 18,000 workers. Over the
15 last decade, the team has recovered and
16 dispersed around \$360 million in stolen
17 wages.

18 To help New Yorkers report labor
19 violations and apply for permits, we launched
20 a new case management system that will
21 provide updates in real-time. The system
22 will also allow us to collect data, enhancing
23 our ability to identify and respond to
24 trends.

1 Ensuring workers receive a fair day's
2 pay for a fair day's work is a core tenet
3 that guides our work, which is why I approved
4 the Farm Laborers Wage Board's recommendation
5 to lower the overtime threshold for
6 farmworkers from 60 hours to 40 over a
7 10-year period. The department also recently
8 oversaw a minimum wage increase to \$14.20 an
9 hour for all upstate workers.

10 But we can do more. We fully support
11 Governor Hochul's plan to index minimum wage
12 to inflation. The plan will help low-wage
13 New Yorkers meet the rising cost of living.

14 We continue to prioritize workforce
15 development and find innovative ways to
16 provide training opportunities and connect
17 New Yorkers to careers they love. An
18 important part of this is meeting people
19 where they are -- and these days, they're
20 online. And more than 200,000 New Yorkers
21 utilized our virtual job services in 2022
22 alone.

23 Last year we expanded our cutting-edge
24 Virtual Career Center to all New Yorkers.

1 The free platform caters the experience to
2 each customer's individual needs and allows
3 them to browse more than 250,000 job
4 postings.

5 Businesses are also seeking rapid
6 online solutions to help fill jobs, a need
7 being met by our Virtual Career Fairs. These
8 events are connecting businesses and
9 jobseekers virtually in real-time.

10 Registered Apprenticeships continue to
11 give New Yorkers the skills they need to
12 thrive in the economy. In November, we
13 celebrated the inaugural New York State
14 Apprenticeship Month, which highlighted more
15 than 900 critical programs across the state.
16 Registered Apprenticeships are paying big
17 dividends for businesses and New Yorkers,
18 which is why we continue to expand these
19 programs.

20 New York is currently undertaking an
21 ambitious effort to address climate change.
22 The clean energy sector is a game-changer for
23 our planet and for New York's economy. The
24 department is helping to connect New Yorkers

1 to green job opportunities by also ensuring
2 this burgeoning sector benefits all
3 communities equitably.

4 And of course we remain focused on
5 assisting unemployed New Yorkers while also
6 keeping our systems secure. We're more than
7 halfway into our four-year modernization plan
8 that will result in a completely new UI
9 management system, optimized to create a more
10 seamless and secure user experience.

11 While we wholeheartedly welcome these
12 technological advancements, we are also
13 implementing other immediate improvements to
14 our programs. We are focused on reaching
15 more New Yorkers and have ramped up language
16 access. A great example of this was the
17 launch of our Spanish Facebook and Twitter
18 accounts. We also expanded our online
19 virtual assistant, Perkins, to speak in
20 13 languages and to perform several tasks
21 that previously required speaking to an
22 agent.

23 None of these changes would be
24 possible without the steadfast support of

1 Governor Hochul. She continues to ensure the
2 department can modernize to provide the
3 resources New Yorkers and businesses need to
4 participate and thrive in today's economy.

5 To further Governor Hochul's
6 commitment to a transparent and open
7 government, the department held hearings to
8 receive public input on the state's newly
9 strengthened sexual harassment model policy,
10 and on the impact of COVID-19 on women in the
11 workforce and the gender wage gap. That
12 report will be released in just a few weeks.

13 The department is working smarter, but
14 there is always room for improvement. If we
15 are to continue to keep our systems
16 protected, we must evolve with the times. And
17 you, our legislative partners, have played
18 and continue to play critical roles in our
19 efforts. By investing continuously in
20 modernization, we will ensure that our
21 systems remain more efficient, easier to use,
22 and safer than ever before for all
23 New Yorkers.

24 Thank you.

1 CHAIRWOMAN KRUEGER: Thank you.

2 Next, Commissioner Hogues.

3 COMMISSIONER HOGUES: Thank you.

4 Good afternoon, Chairs Krueger and
5 Weinstein and distinguished members of the
6 Senate Finance and Assembly Ways and Means
7 committees. My name is Timothy Hogues, and
8 it is my privilege to serve as the
9 commissioner of the Department of
10 Civil Service and the president of the
11 Civil Service Commission.

12 I appreciate the opportunity to appear
13 before you to comment on Governor Hochul's
14 Executive Budget for fiscal year 2024, as
15 well as to highlight some of our key
16 accomplishments over the past year.

17 During my short tenure as commissioner
18 I have been struck by the dedication and
19 unwavering commitment of New York State's
20 public workforce. State workers provide
21 critical functions from transportation to
22 public safety to healthcare that make the
23 Empire State a great place to live, work and
24 play.

1 New York's public-sector workforce has
2 proven its dedication time and time again and
3 is always on the frontlines through public
4 emergencies, whether it be the COVID-19
5 pandemic or storm preparations and
6 recoveries.

7 However, New York's workforce over
8 recent years has experienced a reduction in
9 size which has been especially evident in
10 lower-level direct care and healthcare
11 positions. This year I am pleased to report
12 that Governor Hochul's proposed budget will
13 continue to provide healthcare and mental
14 hygiene worker bonuses to incentivize and
15 reward direct care frontline state employees
16 through FY 2024, and provide critical
17 investments to reinforce careers and public
18 services across several agencies as part of
19 our larger efforts to rebuild the state's
20 workforce.

21 The department is also implementing a
22 Hiring for Emergency Limited Placement
23 program to address the statewide workforce in
24 critical health and safety titles. The HELP

1 program will temporarily waive the
2 civil service exam requirement for
3 approximately 100 direct-care, health and
4 safety titles across state government for a
5 12-month period and address staffing
6 emergencies now.

7 In addition, after hearing concerns
8 raised by the New York State Association of
9 Counties and the New York Conference of
10 Mayors, the department's also implementing a
11 similar program, the Local HELP program, to
12 allow local civil service agencies to address
13 the emergency staffing crises that they are
14 also facing across health and safety
15 positions.

16 The department also recently
17 transitioned some of our largest and most
18 popular civil service examinations to an
19 online format, allowing individuals to
20 complete the exams wherever they have access
21 to a computer. These exams are also open
22 over multiple weeks, increasing accessibility
23 to interested candidates. Utilizing this
24 format, the department tested nearly 30,000

1 candidates for nearly 200 job types in 2022.

2 Further, the department continues to
3 engage with agency partners to implement pay
4 increases and salary differentials for a
5 variety of titles, to improve recruitment and
6 retention efforts. As part of these efforts,
7 the department completed a major
8 restructuring of nursing titles last year
9 that resulted in upgrades for most titles and
10 higher starting salaries and salary
11 differentials.

12 Top of mind of all the efforts the
13 department undertakes is ensuring diversity,
14 inclusion, and equal opportunity are at the
15 forefront of all statewide initiatives.
16 Under Governor Hochul's guidance and
17 leadership, and in partnership with the state
18 chief diversity officer, chief disability
19 officer and each individual state agency, the
20 department is committed to building and
21 sustaining a workforce and advancing programs
22 and services that reflect the many unique
23 faces, voices, backgrounds and ideas of those
24 we serve.

1 While we've made tremendous progress
2 in 2022, I am extremely optimistic about the
3 progress we will make in years ahead with
4 Governor Hochul's ambitious vision to
5 reimagine and modernize the Department of
6 Civil Service.

7 The Governor's Executive Budget
8 supports a new progressive and transformative
9 civil service examination model that includes
10 administering continuous recruitment
11 examinations at state-operated computer-based
12 testing centers. This model will allow the
13 department to meet the increasing demand of
14 examination services by expanding our
15 capacity to hold more examinations and
16 provide examination results to both state
17 agencies and local civil service entities in
18 a significantly compressed time frame.

19 The Executive Budget also allows the
20 department to establish a greater presence at
21 DOL Career Centers and meet job seekers where
22 they are, fund a public awareness campaign to
23 extol the values of public service, and
24 support a comprehensive study to modernize

1 the civil service pay structure.

2 In addition to all I have already
3 highlighted, the department continues to
4 implement effective strategies to responsibly
5 administer the New York State Health
6 Insurance Program to more than 1.2 million
7 members, ensuring access to high-quality
8 providers and services.

9 In 2022, New York State and CSEA came
10 to a five-year contract agreement which
11 included health benefit changes taking effect
12 this July that will save the state, local
13 governments, public authorities, and
14 enrollees over \$300 million annually.

15 As you can see, the initiatives
16 highlighted today reflect the department's
17 commitment and focus to eliminating barriers
18 to entry for civil service jobs, meeting job
19 seekers where they are, and modernizing the
20 state's approach to meeting our workforce
21 needs. The department's vision for the
22 future is progressive and inclusive, and I
23 look forward to working in partnership with
24 all of you to bring this vision to fruition.

1 Thank you.

2 CHAIRWOMAN KRUEGER: Thank you.

3 And Director?

4 DIRECTOR VOLFORTE: Thank you,
5 Chairs Weinstein and Krueger and honorable
6 members of the Assembly and Senate. My name
7 is Michael Volforte, and I'm the director of
8 the New York State Office of Employee
9 Relations. Thank you for the opportunity to
10 speak with you about Governor Hochul's
11 Executive Budget proposal for fiscal year
12 2024 as it relates to our agency and the
13 state workforce.

14 The proposed budget continues
15 Governor Hochul's goal of increasing the
16 state workforce by proposing growth in a
17 number of agencies, like the Division of
18 State Police, Department of Environmental
19 Conservation, and the Office of Parks,
20 Recreation and Historic Preservation. This
21 year's budget also contains a number of
22 civil service proposals to jump-start hiring
23 for the future, like continuous recruitment
24 examinations; establishing centers for

1 careers in government, in partnership with
2 the Department of Labor; and a campaign
3 highlighting the importance of careers in
4 public service.

5 Together with our unions, we shape the
6 future of the workforce and efforts to retain
7 and expand it. Over the past year we
8 successfully negotiated three collective
9 bargaining agreements covering employees
10 represented by the Police Benevolent
11 Association of New York State, Council 82,
12 and the Civil Service Employees Association.

13 All agreements contained compensation
14 increases in each year of the agreement. The
15 CSEA agreement not only provided increases
16 but made changes to health insurance to
17 encourage unit members to save money by using
18 our broad participating provider network in
19 the Empire Plan.

20 Between ongoing and planned
21 negotiations, we will negotiate with nine
22 unions this year for new collective
23 bargaining agreements. Our approach in
24 negotiations will remain consistent with the

1 Governor's message of being fair to employees
2 and ensuring that agencies are positioned to
3 continue to deliver outstanding service to
4 New Yorkers.

5 Last year we continued to assist
6 agencies and employees in emerging from the
7 pandemic, and we continue offering such
8 services. For example, we agreed with all of
9 the unions to extend the vacation accrual
10 deadline until the end of 2023 to permit
11 employees to take more time off. We also
12 assisted in the rollout of the \$3,000
13 healthcare worker bonus included in last
14 year's budget for eligible private-sector and
15 state employees. As of today, this benefit
16 has been extended to more than 39,000 state
17 employees serving in a variety of roles in
18 the healthcare and direct care fields. These
19 employees were critical in our efforts to
20 manage and respond to COVID-19.

21 On a daily basis OER fields numerous
22 inquiries from executive branch agencies. We
23 routinely dispense advice on the proper
24 administration of our compensation and

1 benefits packages as well as advice on
2 maximizing employee performance and
3 operational flexibility under the terms of
4 our negotiated agreements. We also continue
5 to work to ensure that all complaints of
6 illegal discrimination and harassment are
7 properly investigated and addressed.

8 As we indicated last year, agencies
9 have transitioned to their own telecommuting
10 policies rather than the former emergency
11 statewide telecommuting program. Most allow
12 telecommuting up to several days per pay
13 period but require in-office presence the
14 remainder of the pay period. Our guidance to
15 agencies has been consistent: Telecommuting
16 programs must strike a balance between
17 providing a convenience to employees on one
18 hand and maintaining accountability and
19 robust services for New Yorkers on the other
20 hand.

21 As you all know, our office offers a
22 number of pre-tax programs for state
23 employees that save employees by using
24 pre-tax dollars for various healthcare,

1 dependent care and transportation expenses.
2 Last year, there were over 26,000 enrollments
3 in the various programs. We continue to make
4 our pre-tax program even more attractive by
5 allowing individuals to roll over the maximum
6 amount of 2022 funds into 2023 for the
7 Health Care Spending Account and provided a
8 grace period for our Dependent Care Advantage
9 Account and Adoption Expenses flexible
10 spending accounts where employees can use
11 their 2022 balance during the first two and
12 half months of 2023 to incur new expenses and
13 utilize previously deducted funds.

14 In collaboration with our union
15 counterparts, we continued many other
16 programs that provide important benefits to
17 our workforce. In the last year, our
18 Employee Assistance Program provided
19 assistance to almost 20,000 employees working
20 and coping with the pandemic. We also
21 distributed over 4,500 job and career-related
22 tuition reimbursement benefits in the last
23 year and offer a WellNYS Everyday program.

24 Lastly, through our labor-management

1 certainly poses challenges for the state,
2 under Governor Hochul's leadership our office
3 is well positioned to continue to deliver for
4 state agencies and employees alike so that
5 they can continue the essential services that
6 New Yorkers rely upon.

7 Thank you.

8 CHAIRWOMAN KRUEGER: Thank you. And
9 you win the prize -- six minutes to turn back
10 over.

11 (Laughter.)

12 CHAIRWOMAN KRUEGER: Sorry.

13 We've also been joined by Senator
14 Jackson, who is the chair of Civil Services,
15 and Senator Michelle Hinchey.

16 And are there Assemblymembers you'd
17 like to name?

18 CHAIRWOMAN WEINSTEIN: Yes. We've
19 been joined by Assemblyman Steck,
20 Assemblywoman Lucas, Assemblyman Ardila,
21 Assemblywoman Sillitti, and
22 Assemblyman Jones. And Assemblyman Slater.

23 CHAIRWOMAN KRUEGER: Great, thank you.

24 And we're going to start with

1 questions from our Labor chair,
2 Senator Ramos.

3 SENATOR RAMOS: All right. Buenos
4 tardes. Hi, Commissioner Reardon.

5 COMMISSIONER REARDON: Hi.

6 SENATOR RAMOS: Good to see you.

7 COMMISSIONER REARDON: Thank you.

8 SENATOR RAMOS: Let's start -- I want
9 to ask, you know, a few months ago the
10 Governor had agreed to give healthcare
11 workers a raise of \$3 above the minimum wage,
12 but now in this budget proposal she's taking
13 it away. What gives?

14 COMMISSIONER REARDON: So they are
15 getting the \$3 above the minimum wage.
16 They've gotten two already; they get the
17 third dollars I think in October. And I
18 think what you're referring to is the
19 indexing, which they are not included in.

20 I think the thinking there was this
21 was a particular area that needed
22 stabilization, and we wanted to make sure we
23 had a steady pipeline of people coming into
24 the home care field because it was very, very

1 necessary. And it has worked. We have I
2 think a 33 percent increase in employment
3 there.

4 SENATOR RAMOS: Why do we keep leaving
5 home care workers and other domestic worker
6 types outside of benefits that are given to
7 other workers? Why are they less?

8 COMMISSIONER REARDON: So right now
9 they're ahead of everybody else. They're \$3
10 above -- by October they'll be \$3 above the
11 minimum wage. And if the indexing -- with
12 the indexing they catch up with the minimum
13 wage, then I think you'll have a conversation
14 about whether or not it's time to increase
15 that minimum wage again for that particular
16 segment.

17 But they are right now above other
18 workers --

19 SENATOR RAMOS: Well, I think the
20 minimum wage should be increased for
21 everyone. And it actually concerns me to see
22 that the Governor's proposal includes
23 indexing without easing. It also includes a
24 cap at 3 percent and a bailout plan if

1 unemployment U-3 goes up to 0.5 percent.

2 You know, no other state has such a
3 cap, or any off-ramps. Why should we?

4 COMMISSIONER REARDON: I believe other
5 states do have caps. I don't know about the
6 off-ramps. But --

7 SENATOR RAMOS: What other states have
8 caps?

9 COMMISSIONER REARDON: I believe
10 California does. I'd have to check and get
11 back to you. I don't think we're the only
12 one with a cap.

13 It's not the same number, but there is
14 a cap. But I can get back to you with that
15 information. I believe -- you know, we're
16 very supportive of indexing the minimum wage.

17 SENATOR RAMOS: I appreciate that.

18 You know, by 2026 Washington, D.C. and
19 Denver, their minimum wage is going to hit
20 about \$19. San Francisco will be over \$20.
21 And Seattle will be at 21. But under our
22 Governor's proposal to raise the minimum
23 wage, New York will only be at \$16 by 2026.
24 Do you think that's right?

1 COMMISSIONER REARDON: I support the
2 Governor's plan, and obviously it's something
3 that the Governor and the Legislature will
4 have to work out together. And whatever you
5 decide is the law I will happily enforce.

6 SENATOR RAMOS: Okay. Well, let's
7 move on to unemployment insurance. You know,
8 Uber and Lyft still haven't paid their bill.
9 I asked this question at the budget hearing
10 last year. Right before the pandemic Uber
11 and Lyft drivers were granted access to
12 unemployment insurance and definitely used it
13 during the pandemic. At what point do we
14 tabulate their bill and make them pay?

15 COMMISSIONER REARDON: That is
16 currently under -- it's in the legal courts,
17 so I'm not going to be able to comment on any
18 of that.

19 SENATOR RAMOS: Okay. Would you agree
20 that PUA served as a lifeline for workers
21 throughout the pandemic? Has the DOL done
22 any research on its lasting effects?

23 COMMISSIONER REARDON: So PUA was
24 created by the CARES Act, and Congress

1 realized immediately with 1.9 -- well, in our
2 case, 1.9 million New Yorkers lost their jobs
3 in 60 days. By the end of April we had
4 almost 2 million people on unemployment that
5 had not been on unemployment in February. It
6 was an avalanche of need, and it went across
7 the entire state. It didn't hit just a
8 certain kind of employee or nonemployee, you
9 know, the classification. So the CARES Act
10 carved out a new kind of aid for people who
11 would not have been eligible otherwise. And
12 we supported that.

13 SENATOR RAMOS: You know what I'm
14 getting at, right? So folks who had been
15 eligible for PUA now are left without a
16 safety net because PUA has ended. Right?

17 COMMISSIONER REARDON: Yes. Because
18 they are not -- unless they are considered
19 employees, they are not eligible for
20 unemployment insurance. It's a federal
21 regulation.

22 SENATOR RAMOS: Would you say that the
23 Excluded Workers Fund was successful?

24 COMMISSIONER REARDON: The Excluded

1 Workers Fund was a very targeted fund and we
2 are very proud of the work we did, and have
3 distributed \$2.1 billion to those
4 communities.

5 SENATOR RAMOS: I thought it worked
6 very well, it just wasn't enough money. We
7 need more money. And so now in knowing and
8 learning our lessons from the pandemic, we're
9 trying to establish a more permanent fund
10 with the unemployment bridge program that
11 wouldn't only help those who were eligible
12 for our Excluded Workers Fund but also those
13 who had benefited from PUA.

14 I'm hoping that we can count on your
15 support in that effort.

16 COMMISSIONER REARDON: You know, it's
17 an interesting conversation. I haven't -- I
18 don't comment on legislation. I simply
19 enforce it when it becomes the law.

20 SENATOR RAMOS: All right, so going
21 back to UI specifically, what reform is being
22 done to address the funding issue?

23 COMMISSIONER REARDON: You mean the
24 state -- the state -- okay. So that is a

1 metric that's controlled by the federal
2 government and the state. The federal
3 government has the FUTA bill that people are
4 getting now, and that is a regular payment to
5 restore the loan that went in to bail out
6 New York State because we had to pay out
7 benefits by federal regulation.

8 There are three bills that businesses
9 get. FUTA is paying off the loan. The IAS
10 is the interest assessment, and that is by
11 New York's law, businesses are on the hook
12 for that. And then there's their regular
13 bill, the bill is their experience rating
14 that goes to pay for this year's benefits as
15 well as restore the New York State Trust
16 Fund.

17 SENATOR RAMOS: Mm-hmm. Okay. I want
18 to ask about DOL enforcement. I saw that in
19 the budget proposal there is -- it includes
20 an expansion for adding a few workers to the
21 DOL, which is very exciting. I'm thrilled.

22 COMMISSIONER REARDON: Me too.

23 SENATOR RAMOS: What are they going to
24 do?

1 COMMISSIONER REARDON: So we are busy
2 hiring. Thank you to all of you for the \$25
3 million we got in last year's budget. We are
4 busy hiring people as we speak. And thank
5 you to Civil Service for helping us in this
6 regard. It has been a struggle sometimes.
7 And my fellow commissioner has helped smooth
8 out some of those problems.

9 One thing everybody knows from your
10 own constituents, hiring in this market is
11 very tough. And we are making sure that we
12 reach into all the communities that we can to
13 find the right people to do these jobs. And
14 we're training them up as fast as we can.

15 As of about this date, I think we have
16 hired an additional -- it's over 1100 new
17 employees over the last year. So we are
18 making great strides.

19 SENATOR RAMOS: How many in
20 enforcement?

21 COMMISSIONER REARDON: I don't have
22 that number in front of me. I can get it to
23 you.

24 SENATOR RAMOS: I mean, I would

1 appreciate that. I'm increasingly, you know,
2 concerned about the conditions we're hearing
3 at different workplaces, the wage theft that
4 continues to be rampant and has actually
5 tripled since before the pandemic. And I
6 only say that because actually the money
7 that's been recovered has tripled, so I can
8 only imagine how much wage theft is actually
9 taking place. And of course we want to make
10 sure that we are helping all of those
11 workers.

12 What else is needed here to further --
13 to help your enforcement efforts?

14 COMMISSIONER REARDON: So I am open to
15 any conversation that you want to have about
16 how we do enforcement. It is a very
17 important part of what we do. We are -- you
18 know, one of the things we learned, one of
19 the hard lessons we learned during the
20 pandemic is you can't staff your way out of a
21 crisis. You need a lot of help, and a lot of
22 that help is tech.

23 So we are -- we have rolled out new
24 tools for our inspectors so they're not

1 having to go back and write things on their
2 computers in their offices, they can do it in
3 the field. It expedites their work.

4 We have the new wage theft tip line
5 where workers can call into the tip line,
6 speak in 13 different languages, make their
7 report. It goes right into the agency.

8 SENATOR RAMOS: Anybody actually visit
9 the businesses where we know wage theft tends
10 to happen? So for example, you know, we have
11 the executive order from 2019 that did away
12 with the tipped wage for nail salon workers
13 and car wash workers and others. But does
14 anybody actually go to every car wash to make
15 sure that the \$15 at least are being paid --

16 COMMISSIONER REARDON: We are a
17 tip-driven agency --

18 SENATOR RAMOS: -- nail salon workers?

19 COMMISSIONER REARDON: -- so no, we do
20 not visit individual -- we don't do sweeps,
21 like that. But we follow up every tip that's
22 given to us.

23 SENATOR RAMOS: Okay. Well, I -- it's
24 an increasing concern to me. I even hear of

1 human trafficking stories having to do
2 particularly with nail salons --

3 COMMISSIONER REARDON: Yes. And we
4 follow up -- we have a whole unit that works
5 on that. It's a tragic part of our world and
6 it has obviously grown during the pandemic.
7 And it has also grown with new people coming
8 into the country who are very, very
9 vulnerable.

10 SENATOR RAMOS: Yes. I mean, in fact,
11 I think it was in Lewisville, New York,
12 upstate, where recently -- and I spoke to the
13 head of NYSERDA about this -- where we saw a
14 huge car accident where six migrant workers
15 were killed on their way, I believe on a
16 Sunday, to go work and install solar panel
17 equipment. So that's of deep concern to me.

18 Anyway, thank you, and thank you for
19 your work with the Farmworker Wage Board. I
20 appreciate it.

21 COMMISSIONER REARDON: Thank you.

22 CHAIRWOMAN KRUEGER: Thank you.

23 Assembly.

24 CHAIRWOMAN WEINSTEIN: We go to the

1 chair of our Labor Committee, Assemblywoman
2 Joyner.

3 ASSEMBLYWOMAN JOYNER: Thank you so
4 much.

5 Okay, so I have a couple of questions.
6 I'm going to first start with the first topic
7 on unemployment insurance --

8 CHAIRWOMAN WEINSTEIN: Ten minutes on
9 the clock, please.

10 ASSEMBLYWOMAN JOYNER: Okay, the
11 clock, reset the clock. Okay, I have ten
12 seconds of Senator Ramos's time.

13 We'll start first with workers and
14 employers. As you know, both have been
15 negatively impacted by flaws in the UI
16 system. So I'll first start with workers
17 with regards to fraud. We've heard stories
18 of claimants who have been victims of
19 identity fraud or being locked out of ID.me.

20 I wanted to know, first, what measures
21 has the department been using to prevent UI
22 fraud and ensure that workers are obtaining
23 much-needed benefits?

24 And the other issue that is greatly

1 impacting workers is the overpayment issue.
2 The federal government has made it clear that
3 it does not want money back that -- and it
4 has authorized states to waive overpayments.
5 So my question is simply, why hasn't the
6 state waived overpayments? And how has the
7 process for giving notifications and waivers
8 for overpayments been made to claimants who
9 receive these overpayments at no fault of
10 their own?

11 COMMISSIONER REARDON: So let me start
12 with the overpayments. We are -- people have
13 the opportunity to apply for a waiver, and we
14 are reviewing them quickly. It's not a long
15 process. And a large, large, large percent
16 of them are given the waiver.

17 So there is an urban myth out there
18 that we not doing overpayment waivers.
19 That's not true. We have actually applied to
20 the federal government for blanket waivers.
21 We have not received any confirmation back,
22 so I don't know what the status of that is.

23 But if you are a victim of
24 overpayment, you can apply for a waiver. And

1 it's generally on equity and good conscience.
2 It is a pretty streamlined process now, and
3 people get their answers usually within two
4 weeks. So they should -- if they feel that
5 they are being asked for something they
6 shouldn't be asked for, they should
7 absolutely go on the website and do it. We
8 have a lot, a lot of public comment, you
9 know, social media, we sent -- we sent 125
10 million emails and texts to our customers
11 during the pandemic. This was one of the
12 things that we texted and emailed about.

13 The word is out there. If people
14 don't know, I'm happy to increase that kind
15 of communication. But it is absolutely --
16 you know, we are granting these waivers at a
17 pretty rapid clip.

18 ID.me. Nobody should be locked out of
19 ID.me. If people are having trouble with it,
20 there are other ways for people to confirm
21 their identity. Again, we streamlined that.
22 When we first set it up there was confusion;
23 nobody had ever seen this before. But -- and
24 we understand there are populations who don't

1 have the technology or they may not be
2 comfortable with the technology, or there may
3 be a language issue. So we have got
4 different workarounds. Nobody should ever be
5 denied their benefits because they can't
6 handle ID.me.

7 However, ID.me was the single
8 strongest weapon that we had to shut down the
9 international cybercriminals who had stolen
10 people's identities across the state. And
11 without it, we would be awash in more fraud.
12 We can look at the numbers and see, as soon
13 as ID.me came in, the fraud numbers began to
14 trickle down. And I'm glad we have it.

15 ASSEMBLYWOMAN JOYNER: Okay, so my
16 next question is with respect to the impact
17 on employers. As you know, many employers
18 are paying down the UI Trust Fund debt.

19 When will they expect to see a
20 decrease in their contribution rates? I know
21 that the numbers shared by DOL projected a
22 repayment schedule of a five to six year
23 timeline. Is that still accurate? Are we
24 still on schedule? And does the department

1 remember, we have three different things that
2 people are paying on. The FUTA rate is set
3 by the federal government. This year and
4 next year, it's the same. It probably does
5 go down, but I don't know. Let me find out
6 for you for sure.

7 But also when people say rates,
8 they're thinking about their individual UI
9 bill that they pay every year. That is based
10 on your experience rating -- you know, how
11 many people have left your employment, you
12 know, not of their own volition. I'll remind
13 everybody that during '20 and '21 we forgave,
14 we forebore any experience rating on
15 businesses. They did not pay -- everybody
16 had people on unemployment because the
17 businesses were shut down. They didn't do it
18 voluntarily. So we didn't assess anybody an
19 experience rating in those years.

20 We know by our calculations that in
21 those three years, counting this year, each
22 business was saved approximately 800 and I
23 think 32 dollars per employee. So in those
24 three years we actually saved businesses

1 money by not dinging them on the experience
2 rating.

3 ASSEMBLYWOMAN JOYNER: Okay, the next
4 question I have is regarding partial UI. I
5 know in your testimony you mentioned the
6 four-year UI modernization plan that you are
7 implementing. We gave an extension of one
8 year in last year's budget. And simply -- I
9 was told I need a yes or no response -- is
10 DOL prepared to implement this partial UI
11 system and to -- when is the department
12 expected to complete and implement this
13 modernization?

14 COMMISSIONER REARDON: Well, people
15 can get partial UI right now. It's not being
16 denied to anybody. It's just more of an
17 onerous thing for us to do. It's not online
18 because it's not in the system.

19 If we were to put it into the old
20 system right now, we would have to stop the
21 modernization for a significant period of
22 time to put a patch on an old system that
23 would stop as soon as modernization came in.
24 It just doesn't make sense. So -- and we've

1 spoken about this freely. We've sent
2 letters. It's not a secret. You can get
3 partial UI right now. It just takes more
4 time for us to do that because it's not
5 automated.

6 But as modernization rolls out, that
7 is definitely going to be part of the mod,
8 and it will be an entirely different system.
9 I am very fond of partial UI. I think it
10 helps workers. But right now we can't
11 automate it because we are in the middle of
12 modernizing our ancient COBOL system.

13 ASSEMBLYWOMAN JOYNER: Okay. My next
14 question is regarding agency operations. We
15 know that DOL needs staff. There's a lot of
16 enforcement activities that need the
17 attention of DOL staff. In last year's
18 budget we allocated an additional \$24.6
19 million to support the agency. However,
20 we've been seeing an alarming decline in
21 staff members. We see a drop in the number
22 of full-time staff and an increase in
23 provisional and temp workers.

24 How can you assure us that we will see

1 an expanded oversight and enforcement of the
2 state labor laws? And also what is being
3 done to on-board and train provisional and
4 temporary workers?

5 COMMISSIONER REARDON: So I'm not sure
6 where the information came from, but we have
7 been working very, very seriously to
8 transition our provisional and, you know,
9 temporary workers into full-time status as
10 quickly as possible. Some of that involves
11 my friend Tim's, you know, tests. They have
12 to -- some of the civil service, they have to
13 take the test and be available for that
14 position.

15 But we're working very hard, we're
16 working very closely with our unions to make
17 sure that we can move those people as quickly
18 as possible, because we value them as
19 full-time employees as well.

20 So I don't think we are seeing a
21 diminution of full-time workers, we are
22 actually trying to reduce the number of
23 part-time workers or temporary workers,
24 so-called.

1 We have -- as I said earlier, we've
2 hired over a thousand new employees and we
3 are looking for more. And, you know, we are
4 very thankful for the \$25 million that you
5 gave us last year. We are using it to the
6 best of our ability. Again, as everybody
7 knows from your business colleagues, hiring
8 is tough in this market. But we are making a
9 concerted effort because we want the best
10 people doing this work for the state.

11 ASSEMBLYWOMAN JOYNER: Okay, yes. The
12 data that we were provided, it's showing an
13 increase in provisional and temp workers from
14 1 percent to 10 percent.

15 My next question is regarding
16 workforce development programs and funds. In
17 2018 we enacted legislation that would
18 require DOL to create an online database
19 containing workforce development training
20 programs in New York State. What's been the
21 status of this database? When can we expect
22 it to be available on the DOL website?

23 And the second question regarding
24 workforce development is, you know, we see

1 that it's difficult to help underserved
2 communities become aware of different job
3 opportunities, so what can be done better to
4 serve these populations?

5 COMMISSIONER REARDON: So you are
6 actually talking about -- I'll take the
7 second question first. Reaching into
8 underserved communities is a really important
9 piece of what I think we do, and we're really
10 upping our game. One of the things that I
11 insist on -- two things. We meet our
12 customers where they are. We are no longer
13 going to have a system where you need to fit
14 into a box of some kind in order to get our
15 services.

16 I don't care what language you speak,
17 I don't care what religion you observe, I
18 don't care what part of the state you live
19 in -- none of that matters. I want to help
20 New Yorkers find careers they love and be
21 successful. So we are very focused on that.
22 We have a lot of language access. We do a
23 lot of work in communities. We've started
24 out-stationing our senior staff in DUES, in

1 the workforce development part, and they're
2 going out into our various Career Centers for
3 several days at a time to sit with the
4 community and understand what the issues are
5 in those communities so we can better refine
6 our processes.

7 ASSEMBLYWOMAN JOYNER: And we have
8 15 seconds, so if you can get to the other --

9 COMMISSIONER REARDON: The database.

10 ASSEMBLYWOMAN JOYNER: Yes.

11 COMMISSIONER REARDON: It's up and
12 it's running. It's been up since last year.

13 ASSEMBLYWOMAN JOYNER: Okay, great.
14 Thank you.

15 CHAIRWOMAN WEINSTEIN: To the Senate.

16 CHAIRWOMAN KRUEGER: Thank you.

17 And we have our chair, Robert Jackson,
18 for Civil Service, 10 minutes on the clock.

19 SENATOR JACKSON: Sure, thank you.

20 So I was going to say good evening,
21 but good afternoon. So let me thank you all
22 for coming. And obviously this is very
23 important for the people of New York State.

24 So I guess my first question to you,

1 Commissioner, Department of Labor, can you
2 tell us where we are in upgrading the system
3 so that we can stop as much of the fraud that
4 allegedly has occurred in the past?

5 COMMISSIONER REARDON: During the
6 height of the pandemic -- actually, the very
7 beginning of the pandemic, we began to
8 realize that there was a new kind of fraud
9 that was hitting our system, one that we had
10 never had before. And this was identity
11 fraud, and it was done by international
12 cyber-rings, and they had people's personal
13 identifications -- your name, your Social
14 Security number, your address, your last
15 employer, perhaps your salary range. Your
16 claim looked like a real claim to our system.

17 So that presented a huge hurdle for us
18 to figure out how to stop it. We worked with
19 other states, we worked with the federal
20 government. We quickly realized we needed
21 technology, so we worked with Google and
22 other places to figure out ways that we could
23 do better geofencing and matching and the
24 kinds of things that we did.

1 The problem with the CARES package was
2 they intentionally reduced the eligibility
3 criteria for people who were eligible for
4 those new federal programs. The first year
5 of PUA, all you had to do essentially was
6 check a box that said "I was unemployed by
7 the pandemic," and you were eligible. We had
8 no employer to talk to, we had no wage
9 records to pull -- this was how we usually
10 verified claims.

11 At the end of that year, the federal
12 government changed the requirements, and
13 that's why people then had to send in more
14 proof of employment. But that first year we
15 had over \$300 million a month going out the
16 door in fraud because it was so easy to do.

17 We now have ID.me. The minute we got
18 ID.me up and running, fraud began to decline.
19 We then -- about six or eight months later,
20 we got multifactor authentication. Again,
21 fraud immediately began to come down.

22 We have other very sophisticated
23 systems that I won't talk about in public
24 because I don't want to tell them what we

1 have, but it really began to reduce the
2 fraud. In 2022 we paid out \$2.5 billion in
3 benefits. We only lost \$388,000 to fraud.
4 So you can see the third year, without the
5 federal benefits and with all the other stuff
6 we were able to put on the system, we've
7 tightened it up a lot.

8 There's always fraud. It's always a
9 problem. But we are on top of it, and the
10 modernization system will be even better.
11 And please, I can't wait for modernization to
12 come on board. Probably more than you.

13 SENATOR JACKSON: Thank you.

14 So my next question is for Michael
15 Volforte, the head of the GOER. You
16 indicated the labor agreements that you've
17 reached with -- do we have state labor unions
18 that have not reached agreement and have
19 expired contracts? And where are you at in
20 trying to move those contracts?

21 DIRECTOR VOLFORTE: We currently have
22 one union that has an expired contract, and
23 we're in active negotiations with them.

24 The remaining unions either have

1 contracts that expire this year or years into
2 the future, and we're engaged with a number
3 of those unions where we're actually starting
4 negotiations in advance of expiration and
5 hope to reach agreement over the coming
6 months with a number of those unions.

7 SENATOR JACKSON: So one of the things
8 that I hear about state service is it takes
9 too long to get things done. So do you have
10 enough staff to move contracts where we're
11 not dealing with contracts that have expired?
12 People get a little frustrated when things
13 are taking so long to get things done.

14 DIRECTOR VOLFORTE: We believe we have
15 enough staff to deliver on negotiating
16 contracts.

17 I would simply say that when contracts
18 settle, it isn't always a function of
19 necessarily one side or the other. You know,
20 sometimes there's a lot of issues that come
21 up and negotiations don't always start before
22 they expire. Sometimes negotiation start
23 afterwards. So it's not entirely consistent
24 that things get delayed because negotiations

1 start at a point in time, because that's
2 really dependent on the parties agreeing when
3 they start.

4 So it's not always the case that
5 there's delays because of staffing or other
6 things. Sometimes there are choices made in
7 terms of when timing starts for negotiations.

8 SENATOR JACKSON: Okay, now my next
9 question is for Commissioner Hogues.

10 Congratulations on your appointment as
11 commissioner.

12 COMMISSIONER HOGUES: Thank you.

13 SENATOR JACKSON: So I'm talking to a
14 lot of labor unions, obviously; I chair the
15 Civil Service and Pensions Committee. And so
16 they talk about that it takes too long to
17 move in order to get people appointed.

18 So what have you done so far in order
19 to modernize the civil service system as far
20 as pay structure and as far as examinations
21 and things like that?

22 COMMISSIONER HOGUES: So thank you.

23 So I believe throughout this testimony
24 you heard a lot about modernization, and so

1 Civil Service is taking that same approach to
2 figure out how we can deliver, test more
3 efficiently and effectively, and get the
4 results in a condensed time frame.

5 And so one of those tools that is in
6 our proposal is a continuous recruitment
7 proposal that allows for us to offer tests on
8 a regular basis and for those eligibility
9 lists to be refreshed on a regular basis so
10 that agencies have access to that.

11 We also are on the technology front to
12 offer exams online. We've transferred some
13 of our most popular exams from in-person,
14 filling out the bubbles, to an online
15 training-and-experience-type exam which has
16 allowed us to serve a lot of individuals in a
17 condensed time frame and more
18 cost-effectively as well.

19 SENATOR JACKSON: And in speaking with
20 the various unions, the continuous
21 recruitment process and examinations so that
22 you don't have to schedule an exam and people
23 have to wait for the exam and things like
24 that, have you consulted with the unions PEF,

1 CSEA, Council 82? And what are they saying?

2 COMMISSIONER HOGUES: Yes, we have,
3 and they're for it. They're behind it. I
4 talked to -- actually, I talk to PEF the
5 most, and they have been pushing this.

6 We've also met with the Council of
7 Mayors for New York State as well as NYSAC,
8 and they are asking for this to be done.
9 Because we know that lists right now, the
10 system that we have right now, it just takes
11 too long and we're not competitive with the
12 private sector. And so this is just one of
13 the ways that we are trying to reduce the
14 time that it takes to bring talent into state
15 government.

16 SENATOR JACKSON: Now, I do understand
17 that PEF and others have expressed concern
18 about the amount of contracting out of
19 services that they feel if in fact the
20 staffing was up to par, that they could
21 handle as professionals that work inside the
22 state government. And \$1.3 billion I think
23 in new appropriations, and 1.13 is
24 reappropriations. But the total, to my

1 understanding, is over 9,000 employees,
2 full-time-equivalent employees are basically
3 being contracted out to private contractors
4 that can done by the state workforce.

5 COMMISSIONER HOGUES: So there's a
6 balance, right, and we have to figure out
7 what that appropriate balance is. Sometimes
8 you have short-term projects where it makes
9 sense.

10 But for the most part, we are really
11 looking at how do we compete, how are we more
12 efficient and effective in not only the
13 on-boarding but the recruitment and the
14 retention of the state workforce. And so a
15 lot of those things are in our proposal, and
16 we look forward to the partnership and moving
17 forward to really being able to compete and
18 rebuild a more diverse and inclusive,
19 talented workforce.

20 SENATOR JACKSON: I know -- can you
21 tell me what has occurred within the past
22 year as far as upgrading nurses? Because
23 obviously the State of New York has
24 contracted out for nurses because there were

1 not enough nurses.

2 What are we doing to recruit nurses
3 into the state system, if you don't mind.

4 COMMISSIONER HOGUES: Sure.

5 So as you're probably aware, in 2022
6 we completed one of the -- a major
7 reconstruction of our nursing titles where a
8 bunch of nurses got upgrades as far as the
9 pay and starting salary. We also introduced
10 regional differentials. And we're continuing
11 the Nurses for Our Future program which
12 supports tuition.

13 And so we will continue to look at
14 what we need to do. Part of our proposal is
15 to do a comprehensive study of the civil
16 service pay structure. And so we're hoping
17 that will yield some guidance and direction
18 for us to move forward, not only for our
19 nurses but, across the state, we know we are
20 competing with the private sector in areas we
21 are losing.

22 So we're hoping that will produce some
23 critical information to give us some
24 direction.

1 SENATOR JACKSON: Well, I think we all
2 agree that we're competing with the outside
3 market. And so I would like to make sure
4 that we, you know, shine our shoes, brush our
5 teeth, you know, be ready as a state in order
6 to go out there and recruit the people that
7 we need to join the civil service system and
8 make us all proud. So that's what I think
9 that we need to do.

10 Thank you. Thank you.

11 CHAIRWOMAN KRUEGER: Thank you.
12 Assembly.

13 CHAIRWOMAN WEINSTEIN: We go to
14 Assemblywoman Pheffer Amato, chair of our
15 Governmental Employees Committee.

16 ASSEMBLYWOMAN PHEFFER AMATO: Good
17 afternoon. Thank you all for your testimony.

18 That's really loud, huh?

19 (Laughter.)

20 ASSEMBLYWOMAN PHEFFER AMATO: We
21 just -- the Senator just referred to the
22 continuous recruitment positions. This is
23 for Commissioner Hogues. How much of the
24 current backlog of vacancies is this expected

1 to address?

2 COMMISSIONER HOGUES: So as you're
3 aware, the pandemic caused a lot of tests not
4 to be held. Civil Service currently relies
5 on schools, high schools and other places to
6 be able to administer our civil service
7 exams. To knock on wood, we are pretty
8 current as far as the testing schedule.

9 But when we talk about the
10 game-changing opportunity for continuous
11 recruitment, right now we have to prioritize
12 our agencies' requests. So we talk to our
13 agencies and say, Hey, what are your priority
14 titles that we can hold exams for? We're
15 talking about flipping that upside down on
16 its head and saying, Hey, let's be more
17 efficient and effective.

18 Commissioner Reardon talked about
19 technology. That plays a huge key in this.
20 And so when we talk about going from just
21 pencil and paper to online continuous
22 recruitment, and also talking about being in
23 some of the DOL centers, having staff that is
24 doing outreach -- and we know that there is a

1 digital divide, and so we're not only doing
2 outreach as far as online and social media,
3 but we're looking at getting into communities
4 with community-based organizations, to reach
5 those individuals to educate them about the
6 opportunities in state government as well as
7 demystifying the "how do you get in." Right?

8 And so that's what I'm hearing on a
9 regular basis: How, why, and what. How do
10 you get in, why is it so difficult and
11 confusing, and what are you going to do about
12 it? And I think the proposals in here really
13 take a step forward in addressing that.

14 ASSEMBLYWOMAN PHEFFER AMATO: So you
15 feel that the backlogs will really be
16 addressed once all these -- the how, what and
17 where, who, why and when kind of get filled
18 in?

19 COMMISSIONER HOGUES: Yes.

20 ASSEMBLYWOMAN PHEFFER AMATO: So the
21 backlog will start getting a nice flow and
22 we'll get the workforce flowing, I guess is
23 the right word.

24 COMMISSIONER HOGUES: Yeah. And

1 that's -- like I can't emphasize this enough,
2 we continue to compete with the private
3 sector. And so I'll go back to the study,
4 the review of civil service at all titles, to
5 see where they are.

6 To look at how we value titles is
7 important too. In the past we weighed
8 heavily on individuals that supervised. So
9 we also know that we have some technical
10 titles that don't need to supervise anyone,
11 but we need that technical knowledge and we
12 need to pay them appropriately.

13 And so all of this together will help
14 us to get rid of that backlog and be able to
15 compete.

16 ASSEMBLYWOMAN PHEFFER AMATO: Great.

17 So in that same notion, what agencies
18 and titles do you think will most be affected
19 by this? You know, you could say all. But,
20 you know, which ones really?

21 COMMISSIONER HOGUES: I mean, so they
22 are. So we talk about a lot of the direct
23 care, outward-facing agencies. That's huge
24 for them. In my testimony I talked about the

1 HELP program, the Hiring for Emergency
2 Limited Placement program, because we know
3 that we have to do -- we have a balancing act
4 to perform.

5 So we have to do and we appreciate the
6 merit of fitness, but we've also heard from
7 agencies saying, I don't have enough people
8 to serve the public right now. So they say,
9 Hey, what are we going to do? And so we sat
10 down and started talking through this, about
11 how we can help them now. And so the HELP
12 program impacts over a hundred titles across
13 agencies to look at individuals that meet the
14 minimum qualifications. They can get into
15 state government right now. And then in a
16 year's time they come back to the Civil
17 Service Commission and we can flip them over
18 to competitive and they can continue their
19 career advancement.

20 So we're looking at a parallel path to
21 this problem to really impact it. But we
22 know we have to do two things. We have to
23 solve it now, we have to look at short term
24 as well as long term.

1 ASSEMBLYWOMAN PHEFFER AMATO: Great.
2 The Executive Budget recommends nearly
3 23,000 new hires. So which positions has the
4 state found to be the most difficult to
5 recruit and retain those employees?

6 COMMISSIONER HOGUES: So once again,
7 it's those direct care. We all know, we hear
8 about it. Some titles aren't as desirable as
9 others. But quite frankly, it's across the
10 board. So it's -- every agency head I talk
11 to, they're talking about, Hey, how do we do
12 this and how can we do it quicker and faster.

13 And so I want to get a -- I believe
14 the package that we have in front of you
15 really takes a major step forward as a total
16 package. Individually, the pieces won't
17 work, but when we look at them
18 comprehensively, that's when we really start
19 moving forward.

20 ASSEMBLYWOMAN PHEFFER AMATO: We have
21 to compete with the private sector for sure.

22 What is needed for the state to
23 address the critical vacancies to prepare for
24 an increase -- sorry. What is needed more

1 for the state to address critical vacancies
2 and prepare for increased retirements over
3 the coming years?

4 COMMISSIONER HOGUES: So we're always
5 looking at planning to -- sorry that the
6 phrase is slipping my mind. But we're always
7 looking at how do we put ourselves in the
8 position to be successful as individuals
9 leave the -- leave --

10 COMMISSIONER REARDON: Succession
11 planning.

12 COMMISSIONER HOGUES: Succession
13 planning, thank you. So that's why this is
14 my partner here.

15 (Laughter.)

16 ASSEMBLYWOMAN PHEFFER AMATO: That's
17 good. Good. Good teamwork, I like that.

18 COMMISSIONER HOGUES: Yeah,
19 succession, she knew what I was talking
20 about.

21 We're always looking at succession
22 planning because that's critical. I spent a
23 bunch of years in the private sector, and
24 that was always a hang-up. And so state

1 government is no different.

2 And so we are working with agencies to
3 put plans together. We believe that the
4 impact of COVID, where we saw the mass exodus
5 of individuals, we believe that is starting
6 to slow down. And so now, like I said, we
7 are really focusing on that marketing
8 campaign, getting out and meeting individuals
9 where they are, and really pulling in that
10 workforce to replenish and rebuild to the
11 levels -- not only pre-COVID, but to meet the
12 demand and the expectations of the future.

13 ASSEMBLYWOMAN PHEFFER AMATO: Great.
14 Thank you for that.

15 Regarding the establishment of the
16 Centers for Careers in Government across the
17 state, how many centers will there be?

18 COMMISSIONER HOGUES: We're looking at
19 12.

20 ASSEMBLYWOMAN PHEFFER AMATO: And
21 where will the centers be located? Will they
22 work with the schools and universities to
23 connect with the potential candidates?

24 COMMISSIONER HOGUES: Yes. I'm so

1 glad you asked that question.

2 And so a theme that you've heard is
3 meeting individuals where they are. We are
4 really looking to be more accessible, having
5 dedicated space, because COVID has taught us
6 a lot. So individuals say, Hey, you can't
7 come in here because we don't know what COVID
8 is, and it grinds to a screeching halt.

9 And so this gives us the opportunity
10 to be in those communities, be accessible on
11 bus lines and public transportation, and
12 allows for us to have individuals that are
13 experts, subject matter experts in civil
14 service to break down that who, what, when,
15 when, where, how, why. And to go into
16 communities and to work with community-based
17 organizations that know the territory, to get
18 those individuals the information that they
19 need to be able to participate. As well as
20 running civil service exams six days a week.
21 Right?

22 And so that's an accessibility issue.
23 I've talked to individuals in the community,
24 and they say, Hey, sometimes a Saturday just

1 doesn't work for me. Right? Saturday in the
2 morning just doesn't work for me, I have
3 childcare issues, I have other stuff. And
4 then if an individual misses that
5 opportunity, sometimes they have to wait one,
6 two, three, four years for the next
7 opportunity.

8 So that's why, in conjunction with the
9 continuous recruitment, all of this stuff
10 goes together to, like I said, rebuild the
11 New York State workforce. And it makes it
12 easier and more accessible for individuals
13 that are interested in joining the state
14 workforce to be able to participate.

15 ASSEMBLYWOMAN PHEFFER AMATO: So you
16 talked about CBOs. So would these centers
17 serve as testing locations, like the CBO
18 would be?

19 COMMISSIONER HOGUES: Yeah, so we're
20 working with SUNY and CUNY locations across
21 the state to establish state-operated testing
22 facilities. And these will run six days a
23 week. And so they will be able to come here
24 to get the information about civil service

1 opportunities, they'll be able to take exams
2 here. If an individual doesn't have access
3 to a computer or WiFi, they will be able to
4 take online exams at these locations.

5 And so we -- once again, I don't want
6 to underestimate, but we understand that yes,
7 digital and viral is the way to go, but we
8 also understand that there's still somewhat
9 of a digital divide. So we're trying to
10 address all those barriers.

11 ASSEMBLYWOMAN PHEFFER AMATO: Great,
12 thank you.

13 And for my 33 seconds, Director
14 Volforte, the executive proposes maintaining
15 pay equity with the private sector. How is
16 the pay gap between public and private sector
17 currently, and how much will this cost over
18 the next five years to implement?

19 DIRECTOR VOLFORTE: I don't think we
20 know exactly what the difference is. I think
21 the difference will depend on titles. you
22 know, certainly we know in certain healthcare
23 titles we are -- there's an ever-increasing
24 demand and limited supply, so that keeps

1 driving the price up and up and up for
2 everybody, not just the state.

3 But part of the proposal is a study to
4 work on that, and then we'll find out what
5 those numbers are.

6 CHAIRWOMAN WEINSTEIN: Thank you.
7 To the Senate.

8 CHAIRWOMAN KRUEGER: Thank you.
9 Our ranker on Civil Service,
10 Senator Weik. Five minutes.

11 SENATOR WEIK: Thank you so much.
12 Good afternoon, and thank you so much
13 for your testimony today and for being so
14 patient with all of our questions.

15 I've been meeting with a lot of my
16 libraries and I'm noticing that -- so I
17 represent Long Island, parts of Nassau
18 County, parts of Suffolk County, and a lot of
19 our libraries are complaining that they have
20 very specific job titles. And they may find
21 a qualified individual who maybe lives in the
22 other county, and so they cannot give them
23 that title in their library. And so they're
24 left without someone fulfilling those job

1 responsibilities.

2 So how can we be more flexible, or can
3 we be more flexible? I understand we have to
4 pick locals first, and we have that provision
5 for a reason. Is there a way that we can be
6 more flexible so that we can meet the needs
7 of our libraries?

8 COMMISSIONER HOGUES: So yes, there --
9 and so there's a little bit difference
10 between state and local.

11 So local has jurisdiction and
12 provision to be able to create local rules
13 around how they operate. And so we provide
14 advisement to them and technical assistance.
15 And so I'm sure, if there's conversations
16 with the local civil service division, that
17 we could figure those things out. And if
18 they have questions they can reach out to our
19 municipal services division to provide that
20 type of support.

21 But we've done that type of stuff in
22 the past. And yes, I was a local civil
23 service commissioner from Erie County, and so
24 I can say yes, there are ways to work through

1 that.

2 SENATOR WEIK: Okay, thank you.

3 And so we are looking for -- you know,
4 during these times I think we've seen
5 something -- I used to work, I was the
6 receiver of taxes in my town, and we had
7 civil service employees in that. And of
8 course as we went through the pandemic we
9 really did kind of expect our employees to
10 flex and move with the times, learn new
11 technology and so on.

12 Is there a way that we can be more
13 flexible in the titles? Because when we read
14 the civil service titles, quite a few of them
15 are very specific. Is there room for
16 flexibility? Can we create that?

17 COMMISSIONER HOGUES: So at the state
18 we have a class in compensation that reviews
19 titles on a regular basis, and so there is
20 that opportunity for titles to be reviewed
21 and refined.

22 I know on a regular basis when I was
23 in local government that every time we were
24 about to fill a position we'd look at the

1 title to say, Does this still make sense?
2 Are these still the job elements that this
3 individual will be doing?

4 We saw some that were talking about
5 typewriting skills and some other stuff that
6 just said we haven't done that since I don't
7 know how long. So yes, we should be looking
8 at that on a regular basis.

9 SENATOR WEIK: We had that as well.
10 We didn't even own typewriters.

11 COMMISSIONER HOGUES: Yeah.

12 SENATOR WEIK: So my next question,
13 Commissioner Reardon -- first of all, I want
14 to say thank you very much. In my previous
15 district over the last two years we did have
16 a huge outpouring of individuals who needed
17 unemployment, and unemployment was reasonably
18 responsive and we had really good outcomes,
19 and so I thank you for that.

20 But now the conversation that I'm
21 hearing is of responsibility in a different
22 way, and people are really concerned that
23 perhaps we're not aggressively going after --
24 to recoup fraud money, money that had been

1 taken that shouldn't be out there. And how
2 aggressively are we looking to recoup those
3 funds?

4 COMMISSIONER REARDON: Very.

5 So we have referred over a million
6 claims to the federal government. It is a
7 federal crime to steal this money. We are
8 working with the FBI, we work with the OIG on
9 the national level. We work with the state's
10 Attorney General, we work with the district
11 attorneys. If you go back through our press
12 releases you'll see press releases about
13 district attorneys going after people. We
14 have a number of cases that resulted in large
15 recoupments. We have pulled back half a
16 billion dollars and counting. And it will
17 take a long time.

18 Now, I want everybody to understand
19 the money that was stolen by the
20 international cyber-rings, probably very
21 little of that will be recovered, because
22 it's not here. And those people are not
23 here. And that is -- that is a hard pill to
24 swallow, I must say. But that is simply the

1 truth.

2 But if they're in the United States,
3 if we have a way to identify them, we go
4 after them. And there is no time limit. If
5 you stole that money in 2020 and we discover
6 in 2045 that that's who you are, we will go
7 after you. There is no limit to that kind of
8 pursuit. And, you know, we are not a law
9 enforcement agency, but we're very happy to
10 work with every law enforcement agency that
11 will let us.

12 SENATOR WEIK: Thank you.

13 One last question, in my time.

14 Commissioner Hogue, what are we doing
15 to recruit younger individuals to make sure
16 that we have that civil service pool to pull
17 from?

18 COMMISSIONER HOGUES: So, real quick,
19 we are reaching out to, like I said,
20 community-based organizations that have
21 connections throughout the community. We are
22 looking at high schools and colleges. As I
23 mentioned, we are trying to set up testing
24 sites on colleges--

1 SENATOR WEIK: I only have 2 -- oh,
2 I'm sorry, I just wanted to, quick, a lot of
3 these tests do require a certain amount of
4 college education or experience. Are we
5 looking to relax some of those?

6 COMMISSIONER HOGUES: We're looking at
7 equivalency-type stuff.

8 SENATOR WEIK: Okay, good. Thank you.

9 CHAIRWOMAN KRUEGER: Thank you.
10 Assembly.

11 CHAIRWOMAN WEINSTEIN: We go to
12 Assemblyman DeStefano, ranker, for five
13 minutes.

14 ASSEMBLYMAN DeSTEFANO: Good
15 afternoon. Thanks for coming. Thanks for
16 toughing it out with us throughout this
17 process.

18 My first question is going to be for
19 Commissioner Hogues. There's been some talk
20 recently, there are numerous reports the
21 Governor's lowering the reimbursement rate
22 for our out-of-network doctors, impacting
23 health insurance benefits for the over
24 1 million state employees and retirees who

1 use the Empire Plan. Can you explain how the
2 administration came to this decision to
3 change the reimbursement rate for
4 out-of-network doctors?

5 COMMISSIONER HOGUES: So as I've
6 mentioned, that the agreement between
7 New York State and CSEA will save the state,
8 local governments, and public authorities and
9 enrollees over \$300 million a year.

10 And so we have a very robust network,
11 and so this will impact individuals that
12 choose to go outside of the network. And
13 so --

14 ASSEMBLYMAN DeSTEFANO: How would that
15 affect -- how did that affect out-of-state
16 workers who retired to like Florida or
17 Colorado or wherever? How does that affect
18 them?

19 COMMISSIONER HOGUES: So we -- once
20 again, we have a network that spans across
21 the country that is -- and we're always
22 looking to bring individuals, organizations
23 into our network to make it more expansive.

24 But when we took a look at it, some of

1 the charges for out-of-network were
2 astronomical, and we just couldn't cover
3 that. And once again, I have to emphasize
4 that our network is pretty darn good. And
5 the services and the providers in it are
6 excellent. And so when we took a look at
7 this, we said it makes sense to be fiscally
8 responsible. And we believe that individuals
9 have the opportunity to get the services and
10 support they need in-network.

11 ASSEMBLYMAN DeSTEFANO: Okay. So is
12 there an estimate of what we think this is
13 going to save the plan?

14 COMMISSIONER HOGUES: And so that was
15 the 300 million annually.

16 ASSEMBLYMAN DeSTEFANO: Is that in the
17 Governor's budget, like the proposal's going
18 to be added in that we're going to save this
19 amount of money that's --

20 COMMISSIONER HOGUES: That -- that --
21 that is -- so that was in -- it's part of the
22 contract.

23 ASSEMBLYMAN DeSTEFANO: Okay. Moving
24 on, Governor Hochul has stated that the

1 state's public workforce has been facing a
2 shortage of 12,500 workers, with more than
3 26 percent of the state workforce eligible
4 for retirement in the next five years.

5 I know we kind of touched on it a
6 little bit, but is there any real specific
7 way of recruiting -- I mean, we talk about
8 the communities and going into the
9 communities and things. Is there any real
10 specific ways of trying to recruit more
11 people to come to the workforce?

12 As we all know, when we took these --
13 I've been a civil servant for 30 years.

14 COMMISSIONER HOGUES: Thank you.

15 ASSEMBLYMAN DeSTEFANO: I know what it
16 is. But when we took these jobs back in the
17 day, it was the idea that we weren't getting
18 paid a higher salary but we had benefits to
19 offset the salary that we weren't getting.

20 Where are we bridging the gap between
21 what the public sector and the private sector
22 pay, putting the health insurance and all the
23 other benefits that come with it -- how do we
24 get that message to the people that we are

1 just as viable as the private sector?

2 COMMISSIONER HOGUES: Well, thank you
3 so much for that question. And part of our
4 proposal is a marketing campaign that talks
5 about how great it is to be in state
6 government and choosing state government as a
7 career.

8 And so we've done a lot of work with
9 my partner to my right, DOL, to promote
10 careers in government. And it's been
11 successful. In our entry-level law
12 enforcement, we had over a million hits to
13 some of the marketing things that we did.
14 And it was just taking individuals that are
15 currently working for the state workforce,
16 videotape them talking about the stuff that
17 they do on a regular basis and how they value
18 it.

19 And so there's a comprehensive
20 approach to it. It -- it's -- like I said,
21 some is going to be through social media. A
22 lot of it is also going to be through boots
23 on the ground talking with community-based
24 organizations and those types to be able to

1 not only talk about opportunity but once
2 again demystify what it is to enter into
3 state government through the competitive
4 ranks.

5 ASSEMBLYMAN DeSTEFANO: Thank you.

6 My last question is going to be for
7 Commissioner Reardon. Remember years ago we
8 had all those Zoomyland conferences about the
9 antiquated system that we had? And at that
10 time when we spoke, you said that you were
11 going to be doing a lot more in upgrades to
12 the system. Have we got there yet?

13 COMMISSIONER REARDON: We are -- we
14 are in the last part of the modernization. I
15 mean, the -- unfortunately during the
16 pandemic our contractor had to -- not pause,
17 but slow down a little bit in order to help
18 us stabilize the old mainframe system so it
19 wouldn't just blow up.

20 But, you know, we are getting there.
21 We hope by the end of the year to roll out
22 the mod, and it will be great.

23 ASSEMBLYMAN DeSTEFANO: Thank you.

24 CHAIRWOMAN WEINSTEIN: Thank you.

1 To the Senate.

2 CHAIRWOMAN KRUEGER: Thank you very
3 much.

4 Next up is Senator Hinchey.

5 SENATOR HINCHEY: Thank you. I was
6 unprepared for this moment. Thank you.

7 Thank you all for being here and for
8 your work. I'm going to take a shot and have
9 my first question hopefully be for the
10 commissioner. Tell me if you have an opinion
11 here, knowing we don't have someone from PERB
12 speaking today. With the farmworker bill and
13 the movement forward with the regulations
14 that you just put in place, it's more
15 important than ever to have a properly funded
16 and functioning PERB. I hear that both from
17 farmers and farmworkers who are trying to
18 call the agency and don't have people who
19 speak the language, they don't have answers,
20 it takes very long. And yet in the budget
21 the funding -- a lot of that funding was cut.

22 Is there anything -- knowing it's not
23 necessarily exactly your purview, but having
24 a strong stake at this moment, you know, how

1 can we be better at making sure not only that
2 they're funded but that now that we have
3 these new regulations that we're actually
4 being responsive and getting information out
5 and doing it in a way that serves both the
6 workers and the farmers?

7 COMMISSIONER REARDON: Is that a me
8 question?

9 SENATOR HINCHEY: I'll open it to any
10 of you because -- I think so, but --

11 COMMISSIONER REARDON: So I'll take a
12 crack at it. You know, PERB is not in my
13 lane at all. And so I think that it -- you
14 know, if there are issues, I think people
15 need to raise them. PERB is a small agency
16 and I think the -- you're talking about the
17 farmworker organizing part of it. And I
18 think if there are issues, it just makes
19 sense for people to raise those early and
20 often so people understand that there's a
21 need there.

22 SENATOR HINCHEY: Then I'll just put
23 it on your radar: They are. They are
24 raising them.

1 COMMISSIONER REARDON: I just heard
2 yesterday, actually.

3 SENATOR HINCHEY: Yeah, they are
4 raising them. And quite frankly PERB is not
5 being helpful, they are not kind of in the
6 place that they should be.

7 And so maybe we can all try to work
8 together here to figure out a better path
9 forward both in staffing and funding and
10 others.

11 Quickly, my next question is for
12 Commissioner Hogues. You know, we could have
13 a whole other conversation as you're
14 answering now on much of the civil service
15 exam. But I'll raise in our communities -- I
16 represent the Hudson Valley, and we have a
17 lot of very small police departments who are
18 struggling to recruit new members, and
19 they're very important to our areas.

20 You know, some of the challenges they
21 face are between lack of reciprocity between
22 counties. And so, briefly, are you open or
23 do you -- how do you see that? And do you
24 see an avenue or a lane there to be able to

1 expand that option?

2 COMMISSIONER HOGUES: Yeah, that's a
3 difficult question that we'd probably have to
4 sit down and talk to further. Because
5 there's the reciprocity issue that exists in
6 state government, agency to agency and who
7 has the funds. But I will be more than --

8 SENATOR HINCHEY: Would love to talk
9 with you more about that. Thank you.

10 CHAIRWOMAN KRUEGER: Thank you.
11 Assembly.

12 CHAIRWOMAN WEINSTEIN: Assemblyman
13 Bronson.

14 ASSEMBLYMAN BRONSON: Thank you,
15 Madam Chair.

16 And thank you all for coming and
17 testifying. My questions are going to be for
18 Commissioner Reardon. I also want to thank
19 you for being so accessible and being a
20 partner with us.

21 My first question relates to
22 apprenticeships. And I know you're a fan of
23 apprenticeships. I am as well and think that
24 every industry should have apprenticeship

1 programs. But we passed the Empire State
2 Apprenticeship Tax Credit a number of years
3 ago, we have renewed it and extended it.

4 And my question is, how are we doing?
5 Are folks taking advantage of that tax
6 credit? And if so, do you have any data on
7 that?

8 COMMISSIONER REARDON: First of all,
9 thank you very much for passing that, because
10 it has really helped us expand
11 apprenticeships. It is really great. People
12 get an extra bump if they work with
13 disadvantaged youth, and they also get an
14 extra bump if they have a mentoring program.
15 Really smart add to that.

16 We had 63 applications last year in
17 2022, which considering a pandemic year,
18 really good. We had 85 tax credit
19 certificates issued in '21. The credits
20 totaled approximately \$700,000. It is a
21 really robust opportunity. We want to expand
22 it everywhere.

23 And I'd just say that two of the new
24 apprenticeship programs that we have this

1 year -- Steinway Pianos has a new registered
2 apprenticeship program where they learn to
3 build a Steinway piano from beginning to end.
4 And Tiffany's now has a registered
5 apprenticeship program for jewel-setters.
6 And I visited both of them. It is amazing.
7 It is an incredible opportunity for young
8 people -- middle-aged people. They're not
9 all really young -- to get really great
10 training and have a fabulous career.

11 So thank you.

12 ASSEMBLYMAN BRONSON: All right,
13 great. That's good news. I'm glad that the
14 program's working.

15 Chair Joyner asked this question about
16 the legislation we passed in the 2017-2018
17 cycle that would require a searchable
18 database catalog online. I'm glad to hear
19 that is up and running. I'm sad to tell you
20 I've had three staff people look for it
21 online and could not find it. So we need to
22 do some work in that regard.

23 And the question is --

24 COMMISSIONER REARDON: It's on the

1 New York State Open Data website. It's not
2 on our website.

3 ASSEMBLYMAN BRONSON: Ah, maybe that's
4 why.

5 COMMISSIONER REARDON: Yeah. Yeah.

6 ASSEMBLYMAN BRONSON: Okay. So the
7 question is this. Does it include job
8 training programs that are not through the
9 Department of Labor but might be through SED,
10 SUNY or ESD?

11 COMMISSIONER REARDON: So we gather
12 information from all the state agencies that
13 have workforce programs. We also have the
14 eligible provider training list. And we are
15 beginning an inventory of training programs
16 with an emphasis on regional pipelines, and
17 we're going to get them published in a more
18 friendly format than an Excel file, frankly.

19 We are working very closely with SUNY
20 and CUNY on all of this. And again, we want
21 to make it more robust. You should be able
22 to find a training program easily.

23 ASSEMBLYMAN BRONSON: One quick
24 question, yes or no: Does that information

1 include outcomes?

2 COMMISSIONER REARDON: I don't think
3 so.

4 ASSEMBLYMAN BRONSON: Thank you.

5 CHAIRWOMAN WEINSTEIN: Senate.

6 CHAIRWOMAN KRUEGER: Thank you very
7 much.

8 Next is Ranker Jack Martins on Labor,
9 five minutes.

10 SENATOR MARTINS: Commissioner, how
11 are you?

12 COMMISSIONER REARDON: Good afternoon.

13 SENATOR MARTINS: And Commissioner and
14 Director.

15 I believe in the dignity of work. I
16 Believe it's important for us to make sure
17 that we put New Yorkers to work and that
18 they're paid a fair wage. And I think that
19 sort of drives our vocation here, certainly
20 for me on the Senate Labor Committee.

21 To that end, I hear from our building
22 trades that we have all of this work that we
23 put out -- prevailing wage work, work that
24 requires certified payrolls. And that

1 there's a concern that there's no one
2 actually checking, verifying that people are
3 complying with those requirements. And from
4 time to time someone is caught. But there's
5 a sense, certainly in the building trade
6 community, that it's much more prevalent, and
7 they hope that there's going to be an
8 enforcement mechanism.

9 Can you speak to that?

10 COMMISSIONER REARDON: So I have not
11 had anyone raise that to me in that
12 particular way.

13 We -- you know, we -- again, we follow
14 tips. When somebody registers a complaint,
15 we go out and pull it -- we pull a lot of
16 these payroll devices all the time. Let me
17 talk to my worker protection people and
18 see -- actually, probably more like public
19 work than worker protection. But let me see
20 if there's other ways that we could enforce
21 it.

22 I have not had the construction trades
23 bring this to me, so I'm a little surprised.
24 But I'd be happy to look into it.

1 SENATOR MARTINS: I've been hearing
2 about it for years. And certainly --

3 COMMISSIONER REARDON: Well, they
4 should talk to me.

5 SENATOR MARTINS: Well, I have spoken
6 to you in the past about it as well,
7 Commissioner. So we'll -- we'll revisit it.

8 For our civil service list,
9 Commissioner, I have a -- Hogues, excuse
10 me -- I have a request. I come from Nassau
11 County. We have fire marshals in
12 Nassau County in particular that are
13 desperately in need of lists and tests. And
14 since I'm here, I'm taking the opportunity to
15 place that and would like the opportunity
16 perhaps to go back and look.

17 I know that we have an opportunity --
18 and there is always some difficulty in making
19 sure that lists and tests are current. But
20 some of these may go back a few years. I
21 would just appreciate it if you'd look into
22 that. Because again, there are opportunities
23 for employment, they're restricted from being
24 able to employ people, especially when we're

1 dealing with emergency services personnel.

2 And I would certainly appreciate it,
3 and I'll follow up with you after this
4 hearing.

5 COMMISSIONER HOGUES: Yes, I am
6 definitely open to it.

7 SENATOR MARTINS: But I heard earlier
8 that the lists are current. Some of them
9 have -- that are more popular have been put
10 online. And so I would just ask, with
11 respect to fire marshals and emergency fire
12 services, perhaps if you would go back and
13 check on those lists to make sure that they
14 are actually current.

15 COMMISSIONER HOGUES: Yes. I most
16 certainly will.

17 SENATOR MARTINS: And Commissioner
18 Reardon, going back to unemployment
19 insurance. You know, there's a real concern
20 out there -- I know we've all heard it.
21 You've heard it from some of my colleagues
22 already.

23 You know, is there -- has there been a
24 discussion or is there the possibility -- we

1 understand that the state does have a surplus
2 this year. We also understand that there was
3 a tremendous amount of money spent during the
4 pandemic to keep people employed. We are now
5 repaying that debt to the federal government.

6 Is there any discussion with regard to
7 providing relief for small business owners to
8 allow for some of that unemployment insurance
9 debt or payment to actually be ameliorated?

10 COMMISSIONER REARDON: So again,
11 because we did not do the experience rating
12 for the two years, every business got \$836,
13 approximately, for three years for each
14 employee that they had. So there has been
15 some relief already.

16 The repayment of the federal loan for
17 the -- to make sure we can make the payments,
18 that is a federal regulation. And the amount
19 and all of that is dictated by federal law.

20 That said, we have worked with USDOL.
21 I know the executive chamber has worked with
22 the delegation. We have worked with
23 associations. We've worked with other
24 states. We're looking at many ways to try to

1 amount of problems to solve with a relatively
2 small amount of money.

3 SENATOR MARTINS: And a surplus.

4 CHAIRWOMAN KRUEGER: Thank you.
5 Assembly.

6 CHAIRWOMAN WEINSTEIN: Assemblywoman
7 Giglio.

8 ASSEMBLYWOMAN GIGLIO: Hi. Thank you
9 so much for being here, and thank you for all
10 you do. Really appreciate all of your
11 cooperation with all of my constituents, not
12 only during the pandemic for unemployment
13 insurance, as my other colleagues have
14 stated, but you are faced with a very
15 difficult task, all of you, and I appreciate
16 you being here.

17 My question is -- well, first of all,
18 I think we're running around in circles
19 because the real problem to the workforce in
20 New York State is Tier 6. We need to fix
21 Tier 6. Is anyone having those conversations
22 with our Comptroller, Thomas DiNapoli, to
23 come up with solutions to incentivize people
24 to enter the workforce? Because the starting

1 pays are so low, the -- what they have to pay
2 is so high that it doesn't pay for them to
3 come to work. They'd rather be on
4 unemployment.

5 So is anyone having conversations with
6 the Comptroller on how to fix Tier 6?

7 COMMISSIONER HOGUES: So I have not
8 had conversations with the Comptroller as far
9 as Tier 6.

10 But when I look at the state's
11 compensation package as whole, paid time off
12 and -- Tier 6, obviously compared to the
13 other tiers, may not be as be favorable. But
14 when I look at it, I believe we are
15 competitive.

16 But the other thing I realize is that
17 our pay structure dates back to the 1950s.

18 ASSEMBLYWOMAN GIGLIO: Exactly.

19 COMMISSIONER HOGUES: And so that's
20 why we are putting that in our proposal, to
21 really look at that and look at the job
22 evaluation so we can evaluate the jobs
23 appropriately.

24 We know that in some of the studies

1 answer that question for me.

2 COMMISSIONER REARDON: So I was on the
3 Childcare Availability Task Force. I'm on it
4 again; it's been re-upped. I'm very proud to
5 do that work. And childcare is absolutely
6 the top of every woman's mind who works. It
7 has taken women out of --

8 ASSEMBLYWOMAN GIGLIO: Women and men,
9 because now women are moving up in the
10 workforce and men are home taking care of the
11 children.

12 COMMISSIONER REARDON: Yup. Every
13 parent. Every parent has this concern. And
14 we are very focused on it. I think you
15 probably saw in the news that President
16 Biden's CHIPS Act includes incentivizing that
17 kind of childcare, and it's a great move.

18 ASSEMBLYWOMAN GIGLIO: Thank you for
19 your thoughtful answers.

20 CHAIRWOMAN WEINSTEIN: Thank you.
21 To the Senate.

22 CHAIRWOMAN KRUEGER: Thank you.
23 Assemblymember Shelley Mayer.

24 SENATOR MAYER: Thank you. Thank you

1 very much. And thank you, Commissioner, and
2 all of you for being here.

3 A question for you, Commissioner
4 Reardon, again on this issue of home care.
5 What is the precedent for excluding a group
6 of low-wage workers from an across-the-board
7 minimum-wage increase? I've just never seen
8 such a thing before. We fought tooth and
9 nail to get that money. It did not come
10 easy. It's hard for me to understand what is
11 the Governor's justification for excluding
12 them if other workers receive, for example, a
13 dollar wage increase.

14 COMMISSIONER REARDON: Well, I mean
15 right now they're not working at the regular
16 minimum wage, I would assume is what the
17 thinking was. I don't know. But, you know,
18 they are two or three dollars above the
19 minimum wage.

20 SENATOR MAYER: But just --
21 respectfully -- that's what we did. That's
22 what we passed. That's why we did it, to get
23 them above the minimum wage in order to keep
24 them in their jobs.

1 So I'm asking, what's the
2 justification for not continuing that logic
3 that they needed to be above minimum wage in
4 order to retain and attract new people?

5 COMMISSIONER REARDON: As I understand
6 it, the additional money put to home care
7 workers was to stabilize that part of the
8 industry and attract more people to it. And
9 it was in a specific moment in time, not
10 necessarily forever.

11 And as I said, as the wages go up, as
12 they begin to be more in parity, it can be
13 looked at again. But that was my
14 understanding of the logic.

15 SENATOR MAYER: Okay. Question number
16 two. Your report shows that violations of
17 the child labor laws in New York State went
18 up incredibly, 68 percent in 2022. That is I
19 think the Department of Labor's report.

20 Are there any criminal convictions
21 associated with that? You -- in your
22 testimony you reflect civil fines.

23 COMMISSIONER REARDON: I do not know
24 specifically what is -- you know, what came

1 out of all -- there were a lot of fines. We
2 don't tend to do -- we don't do the criminal
3 stuff, we have to refer it. So I don't know
4 what those referrals were. I can find out.

5 We do know that in the last two years
6 specifically there was a large increase, and
7 it is very alarming. You all saw the
8 articles in the New York Times. We'll be
9 working very closely with the Governor on
10 this. We want to do a lot more focus on it.
11 Obviously we cannot have children in
12 dangerous situations in any job, let alone in
13 some of the horrendous situations that were
14 revealed in the Times article.

15 SENATOR MAYER: Right. That's why I'm
16 asking about criminal penalties.

17 COMMISSIONER REARDON: Yeah. I mean,
18 they would have to be referred to a DA.

19 SENATOR MAYER: Yes, I understand. If
20 someone could get back to me, that would be
21 good.

22 COMMISSIONER REARDON: Yup.

23 SENATOR MAYER: I want to thank
24 Commissioner Hogues -- I'd be remiss if I

1 didn't -- for the change in the rule that
2 allows now EMS workers that are associated
3 with a not-for-profit -- a quasi-municipality
4 to obtain Empire Plan. Thank you very much.
5 That is a game-changer for EMS workers
6 throughout the state.

7 But I did have a question about the
8 frequency of tests. You referenced that a
9 number of tests are moving to virtual tests
10 as opposed to in-person. What percentage of
11 the tests will be online? If you know.

12 Just --

13 COMMISSIONER HOGUES: Yeah, we'll have
14 to look at it and see.

15 SENATOR MAYER: You don't have a
16 percentage.

17 COMMISSIONER HOGUES: No. No, we
18 don't have a percentage.

19 SENATOR MAYER: Thank you.

20 CHAIRWOMAN KRUEGER: Thank you.

21 CHAIRWOMAN WEINSTEIN: Thank you.

22 We go to Assemblyman Smullen.

23 ASSEMBLYMAN SMULLEN: Thank you,

24 Chair.

1 Commissioners and Director, thanks for
2 being here today.

3 I just want to make sure I have got
4 all this straight in my head sort of thing as
5 we, you know, wrap up what happened in the
6 coronavirus pandemic. We owe \$8 billion to
7 the federal government. That's a rough
8 figure. We lost, according to the
9 Comptroller, somewhere around \$11 billion.

10 COMMISSIONER REARDON: We dispute that
11 fact.

12 ASSEMBLYMAN SMULLEN: I'm sorry?

13 COMMISSIONER REARDON: We do not agree
14 with that. It was not a finding of the
15 audit.

16 ASSEMBLYMAN SMULLEN: What is your
17 number? How much did we lose?

18 COMMISSIONER REARDON: Four billion.

19 ASSEMBLYMAN SMULLEN: Four billion?

20 COMMISSIONER REARDON: Four billion.
21 Of which \$388 million was in the state trust.

22 ASSEMBLYMAN SMULLEN: I'll let you
23 argue with the Comptroller over methods and
24 means of forensic accounting.

1 And now we're -- over the next five
2 years we're going to ask our small businesses
3 for about \$6 billion to make sure the fund is
4 topped up?

5 COMMISSIONER REARDON: We have to
6 repay the fund that was -- the money that --
7 the funding that was borrowed from the
8 federal government. And the fund needs to be
9 rebuilt.

10 ASSEMBLYMAN SMULLEN: But we're asking
11 our small businesses essentially to --

12 COMMISSIONER REARDON: We're asking
13 all businesses that have employees --

14 ASSEMBLYMAN SMULLEN: All businesses,
15 50 percent of which are small businesses in
16 New York State, which provide the --

17 COMMISSIONER REARDON: That's the law.

18 ASSEMBLYMAN SMULLEN: The vast
19 majority of employers are small businesses.

20 COMMISSIONER REARDON: That's the law.

21 ASSEMBLYMAN SMULLEN: Right. Of
22 course. And now one of the things that has
23 occurred to me as we're in this panel here
24 with the Governor's Office of Employee

1 Relations is we're thinking about allowing
2 more people to telecommute. And one of the
3 things during the pandemic was -- is that
4 telecommuting is probably one of the reasons
5 why we lost contact with people that we could
6 then verify that they were a citizen, a
7 person eligible for unemployment insurance
8 benefit.

9 Is your department fully back to work
10 and staffed to see people in-person to
11 determine --

12 COMMISSIONER REARDON: Yes. Yes. All
13 of our 96 Career Centers have been open for
14 quite a while. Our state workers are back in
15 the office.

16 We do have a telecommuting policy. We
17 have a small number of workers who almost a
18 hundred percent telecommute because they are
19 telephone agents and they're on a phone. So
20 they don't have to be in an office.

21 Everybody else is back. But there is a
22 policy that allows people, under certain
23 circumstances, to have some days of
24 telecommuting.

1 ASSEMBLYMAN SMULLEN: Sure, and I --
2 obviously that's -- you know, that's a good
3 thing, but you have to verify that, you know,
4 the person is there for their insurance
5 claim.

6 COMMISSIONER REARDON: We are very,
7 very careful about who gets to telecommute
8 and who does not, and they have to have a
9 business plan, as it were, with their
10 supervisor. It was something that we rolled
11 out before the pandemic, actually, which was
12 very successful, and then we were ready,
13 sadly, to handle, you know, everybody going
14 remote. But they are back at work because we
15 need them.

16 ASSEMBLYMAN SMULLEN: And we do, we
17 need them on the job doing the thing. I'm
18 still receiving unemployment -- just so you
19 know and the public knows, still receiving
20 questions about unemployment insurance claims
21 from the pandemic, still adjudicating claims
22 and working with your offices to do so. And
23 I appreciate all the employees that have
24 worked so hard to do that.

1 Because there are still issues out
2 there. Just so everyone knows, this isn't
3 quite over yet, and we need to kind of work
4 our way through the rest of these issues.
5 Thank you so much.

6 COMMISSIONER REARDON: Yes. Thank
7 you.

8 CHAIRWOMAN KRUEGER: Thank you.

9 Senator Rhoads has joined us and has a
10 question or two.

11 SENATOR RHOADS: Okay. Thank you very
12 much, Chairwoman, I appreciate that.

13 And thank you to our panelists for
14 your presentations and for your thoughtful
15 answers to our questions.

16 Just a follow-up for Commissioner
17 Reardon. I know that my colleague Senator
18 Martins inquired about surplus money. And I
19 know that you said it was a bit above your
20 pay grade --

21 COMMISSIONER REARDON: I don't handle
22 that part of the budget.

23 SENATOR RHOADS: -- to make a
24 determination with respect to that.

1 Is there any prohibition in the
2 federal regulations to the state using
3 surplus money rather than tapping into
4 employers to provide those funds?

5 COMMISSIONER REARDON: I don't believe
6 there is. I'm not quite sure -- the term
7 "surplus money." But I -- you know, states
8 can make arrangements, you know, as they
9 wish.

10 The federal government requires that
11 it's repaid. And it has -- and FUTA requires
12 the schedule for that repayment. Other
13 states have done other things.

14 But I must say the enormous amount of
15 problems that were presented to New York
16 State by this pandemic were huge, and UI was
17 only part of it. And, you know, the Governor
18 has made decisions that she needed to make.

19 I just want to remind everyone about
20 the pandemic. When this pandemic hit, almost
21 2 million people lost their jobs by the end
22 of April. They didn't do it because they
23 wanted to; they were shut down. We were the
24 epicenter of the pandemic in this country.

1 As somebody said to me, we were the bleeding
2 edge. And we took it on the chin. UI was
3 the only lifeline these people had. And that
4 was job one in my agency, and I will never
5 apologize for that.

6 SENATOR RHOADS: Not questioning, and
7 I'm not asking you to apologize for it. We
8 took it on the chin in terms of our
9 workforce.

10 COMMISSIONER REARDON: Yes.

11 SENATOR RHOADS: But our employers
12 also took it on the chin. They didn't shut
13 their businesses down, we shut their
14 businesses down.

15 And so now that this unemployment
16 insurance has to be repaid, I think the state
17 should have some increased responsibility in
18 helping shoulder that burden, especially
19 since we did receive COVID relief money which
20 is now, in part, is what's funding a
21 projected surplus that we have for this
22 particular year.

23 COMMISSIONER REARDON: And as I've
24 said, we've reached out to federal partners,

1 to other associations, to everybody who will
2 listen to us, to see if there's some way we
3 can make a dent on it.

4 SENATOR RHOADS: Understood.

5 And just with respect to -- I guess
6 this would go to Commissioner -- I want to
7 pronounce your name correctly.

8 COMMISSIONER HOGUES: Hogues.

9 SENATOR RHOADS: Hogues, Commissioner
10 Hogues.

11 COMMISSIONER HOGUES: Like
12 stakeholder.

13 (Laughter.)

14 SENATOR RHOADS: With -- with -- I
15 appreciate that.

16 With respect to the Governor's plan
17 for continuous recruitment testing, would
18 that continuous recruitment testing be --
19 would police, fire, EMS personal be eligible
20 for that continuous testing as well?

21 COMMISSIONER HOGUES: Yes.

22 SENATOR RHOADS: Okay. I appreciate
23 it. Thank you so much.

24 CHAIRWOMAN KRUEGER: Thank you.

1 Assembly.

2 CHAIRWOMAN WEINSTEIN: Assemblyman
3 Jacobson.

4 ASSEMBLYMAN JACOBSON: All right,
5 thank you, Madam Chair.

6 And thank you all for your testimony.

7 Just like we don't want to build a
8 bridge to nowhere, we don't want to have
9 training that leads nowhere and does not lead
10 to good-paying jobs. I do believe in the
11 power of government to do good, but we must
12 insist that our money is spent wisely.

13 Otherwise, those who want spending by
14 government will be met by the usual refrain:
15 I told you so, it's just wasteful spending.

16 I also believe in effective workforce
17 development. This means talking to potential
18 employers and unions and have them help to
19 shape the curriculum. This also means
20 extensive follow-up on the results of the
21 programs. In order to ensure that these
22 state dollars are well spent, we must insist
23 on metrics to verify that the programs are
24 working and successful, by requiring every

1 entity receiving workforce development
2 dollars to provide data on an annual basis.

3 And this data would include the
4 outreach that was done and how many persons
5 were actually reached; what organizations are
6 participating in the training, such as labor
7 unions and the Council of Industry; the type
8 of training and certification offered and
9 provided; how many people started the courses
10 and how many completed them. And of those
11 who completed, how many became employed and
12 at what wages. How many of those who became
13 employed are still working six, 12, 18 months
14 and 24 months after becoming employed, and
15 are they still working for the same employer
16 or in the same field or otherwise, and what
17 wages are they now receiving.

18 I know I can talk to any union and
19 find out this information about their own
20 training and apprenticeship programs, but
21 I've talked to too many groups, including
22 workers at the Department of Labor, who could
23 not give me this information. We should
24 demand this from all who receive workforce

1 development money from the state.

2 There are numerous groups focused on
3 workforce development, but we lack the
4 metrics to determine if they are successful.
5 By adding this language in the budget, we can
6 make sure that every workforce development
7 dollar is being spent wisely and well. I'm
8 not optimistic that this will happen, so I'm
9 introducing a bill to address this situation.

10 Plus I have two quick points to make.
11 One, when is there going to be real relief to
12 the employers who are facing high surcharges,
13 high unemployment insurance surcharges due to
14 the pandemic, which is not their fault? And
15 secondly, on civil service, I was told by
16 police departments that when they go to hire
17 and they go down the list and they choose
18 somebody and that person flunks the
19 psychological evaluation, the person is still
20 on the civil service list. So that should be
21 corrected.

22 CHAIRWOMAN WEINSTEIN: Thank you,
23 Assemblyman, for your -- for your statement.

24 (Laughter.)

1 CHAIRWOMAN WEINSTEIN: And now to the
2 Senate.

3 CHAIRWOMAN KRUEGER: It appears that
4 he has many questions he would like answered
5 after the fact. So if you give him answers
6 through sending them in writing to Helene and
7 I, we will make sure that everyone on the
8 committees gets the answers. Thank you.

9 I don't need my 10 minutes, but I
10 think I'm up next. So I know this has been
11 asked, but we keep getting a little different
12 information. So a follow-up question to
13 Senator Mayer's follow-up to Senator Ramos's
14 question about the home attendants and the
15 money we worked so hard to get added to their
16 salary, because we have a crisis in home care
17 attendants. And now you said that that was
18 always intended to just, I guess, make sure
19 that we were dealing with an immediate crisis
20 and encourage people to come into the system.

21 So where's your data showing they came
22 into the system and we don't have a crisis
23 anymore? Because that's not what I'm seeing
24 in my city.

1 COMMISSIONER REARDON: Oh, I'm not
2 saying that there's no crisis. I am saying
3 that according to the Center for Healthcare
4 Workforce Studies, there has been a
5 33 percent increase in home healthcare
6 workers since 2017, which is very good news.
7 That does not mean the crisis is gone.

8 Part of the problem, as you well know,
9 is we are in an aging population and we have
10 people -- more and more people who are going
11 to need home care. And we don't have enough
12 workers so fulfill that need. So it is -- we
13 are attracting more people to the workforce,
14 but we also have more aging people who need
15 that care. So that -- you know, that's kind
16 of the situation that we're in.

17 My understanding was that the \$3
18 increase was to stabilize the industry and
19 increase the people coming into it. It is
20 technically above the minimum wage. And so I
21 would expect that as it approaches what the
22 minimum wage indexed is, that you'd have
23 another discussion: Do you need to increase
24 that bump, is the need still there?

1 CHAIRWOMAN KRUEGER: So I think that's
2 a later question, because we haven't
3 increased the minimum wage. And we're just
4 looking at, right now, we gave them a bump to
5 try to increase participation and stabilize
6 the industry. So you're telling me there's
7 data showing that between '17 and '23 that
8 there's been a 33 percent --

9 COMMISSIONER REARDON: According to
10 what I have here.

11 CHAIRWOMAN KRUEGER: Okay. So we
12 didn't go down during the COVID period, we
13 just have been on a straight line up on
14 participation?

15 COMMISSIONER REARDON: That I don't
16 know. So let me find out for you. I'm just
17 reading what they gave me, and I'll get more
18 details for you.

19 CHAIRWOMAN KRUEGER: And you are
20 right, of course, that the aging population
21 continues to grow. You know, it's good news
22 about modernization of healthcare: We are
23 living longer, and we're being kept alive
24 longer, which means there are more and more

1 of us who actually hit the stages of life
2 that we refer to as the frail elderly.

3 So I would also love to see on a chart
4 where we are in growth or plummets in home
5 care, where we are on growth in aging during
6 that same time period. And if you possibly
7 can see where there are waiting lists and
8 demand -- because again, I'm from New York
9 City, and I can't speak for everybody in
10 their districts, but I know that we literally
11 have people who aren't allowed to leave
12 hospitals because there are no home care
13 workers available and discharge planning
14 requires they have it. That we have people
15 who are literally calling my office every
16 day, can I help them get some kind of home
17 care because they've got nothing.

18 And so I just don't believe we have in
19 any way, shape or form resolved the issues
20 that justified our giving them a \$3
21 increase --

22 COMMISSIONER REARDON: I would imagine
23 that there's more to it than just the wages.
24 So, you know, it is a bigger question which

1 we could probably talk about offline for a
2 long time. But, you know, the wages
3 definitely has helped.

4 CHAIRWOMAN KRUEGER: So if the wages
5 have helped and we still have a crisis,
6 taking away the wages seems to be
7 counterintuitive.

8 And yes, we should be increasing
9 everyone's minimum wage. And I suppose at
10 some point in time we could even have a
11 conversation about why are some jobs mandated
12 above minimum wage, or should they be. But I
13 really don't feel that we've got to that
14 point in our state yet at this point.

15 So I very much would love to see that
16 data, because the Governor may have decided
17 to do this but I don't think you actually
18 believe this is a good idea. And I think the
19 data would back all of us up on that.

20 And I'm going to give back my five
21 minutes. Thank you.

22 CHAIRWOMAN WEINSTEIN: Thank you.

23 So we're going to go to Assemblyman
24 Slater for three minutes.

1 ASSEMBLYMAN SLATER: Thank you very
2 much.

3 Good afternoon, good evening, whatever
4 time of the day it is. It's great to see all
5 of you here.

6 Most of my questions actually were
7 asked earlier, so I'm kind of shooting from
8 the hip here. But one of the things that I
9 saw in the Governor's proposed budget that
10 troubled me deeply was her attempt to take
11 away local zoning when it comes to some of
12 the housing projects in the Hudson Valley and
13 Long Island.

14 One of the things that I didn't see --
15 and I'm hoping you can clarify for me -- I
16 didn't see any labor requirement specifically
17 with regards to a PLA or a prevailing wage.
18 Did you see that in her proposal?

19 COMMISSIONER REARDON: No.

20 ASSEMBLYMAN SLATER: Is that in her
21 proposal?

22 COMMISSIONER REARDON: Not that I know
23 of.

24 ASSEMBLYMAN SLATER: So there's no

1 requirement in that regard to ensure a fair
2 wage on those projects.

3 COMMISSIONER REARDON: Not that I know
4 of.

5 ASSEMBLYMAN SLATER: Okay. Thank you
6 very much. I appreciate that.

7 Secondly, in regards to apprenticeship
8 programs, something I'm particularly
9 interested in is how can we better foster a
10 dialogue and a pipeline between our school
11 districts and bona fide apprenticeship
12 programs? I'm going to be visiting Putnam
13 Northern Westchester BOCES tomorrow morning.

14 COMMISSIONER REARDON: You're singing
15 to me.

16 ASSEMBLYMAN SLATER: Yeah. Well, I
17 think it's something that's critically
18 important. Not everyone needs to go to
19 college, and we need to make sure that we're
20 obviously recognizing the importance that
21 apprenticeship programs provide.

22 COMMISSIONER REARDON: Here's the way
23 I've learned to frame it. When I first came
24 into the DOL we talked about that was an

1 alternative to college. And one day I went,
2 This is an insult to the parents and the
3 young people that we're addressing. It makes
4 them feel like they're lesser than.

5 ASSEMBLYMAN SLATER: Hundred percent.

6 COMMISSIONER REARDON: It is an
7 alternative form of higher education. And it
8 is as valuable as a college education.

9 ASSEMBLYMAN SLATER: Yes. Absolutely.

10 COMMISSIONER REARDON: So I have
11 worked extensively with the building trades
12 and our apprenticeship folks to make sure
13 that we are going into high schools. We need
14 to go into middle schools, because that's
15 really where kids begin to get the idea, and
16 expose them to what this is.

17 There are some wonderful
18 pre-apprenticeship programs. In New York
19 City there's NEW, Nontraditional Employment
20 for Women. And women come in and they go
21 through this program where they learn basic
22 trades, it's a direct-entry program, they
23 choose the apprenticeship they want to go
24 into, and they're on a path for success.

1 We need more of that. We need to
2 expose young people to this idea that working
3 with your hands is a gratifying career. It's
4 not something other, it is fabulous. But I'm
5 with you.

6 ASSEMBLYMAN SLATER: I appreciate it
7 and look forward to having a more detailed
8 dialogue about ways that we can --

9 COMMISSIONER REARDON: We can go to
10 schools together.

11 ASSEMBLYMAN SLATER: That sounds
12 great. That sounds great.

13 Lastly, I just want to go back to a
14 comment that was made in response to Senator
15 Martins' question. When it comes to wage
16 theft, you're saying that you've never heard
17 from the construction industry that it's a
18 problem? Because --

19 COMMISSIONER REARDON: It's a problem,
20 but I've never heard that we -- I mean, I
21 never heard it stated that way.

22 ASSEMBLYMAN SLATER: Okay. Well, I
23 would again invite the conversation --

24 COMMISSIONER REARDON: There's always

1 wage theft. There's always problems.

2 ASSEMBLYMAN SLATER: I have two
3 business managers down in the Hudson Valley,
4 where I represent, Ed Cook being one of them.
5 And every conversation I have is about wage
6 theft and how there's a lack of enforcement
7 when it comes --

8 COMMISSIONER REARDON: And every time
9 they ask us we go and we investigate and we
10 pull the wage records and we do what we need
11 to do. It's not that we don't talk to the
12 labor unions.

13 ASSEMBLYMAN SLATER: If we could have
14 a I think more detailed dialogue about that,
15 I know that would go a long way.

16 COMMISSIONER REARDON: Yup. Yup.
17 Happy to do it.

18 ASSEMBLYMAN SLATER: I'd appreciate
19 it. Thank you.

20 COMMISSIONER REARDON: Thank you.

21 CHAIRWOMAN WEINSTEIN: Senate, any
22 more?

23 CHAIRWOMAN KRUEGER: Thank you. We
24 have a three-month -- three-minute follow-up

1 by Senator Ramos.

2 SENATOR RAMOS: I'll take three
3 months. That's great.

4 (Laughter.)

5 SENATOR RAMOS: Thank you, Senator
6 Krueger.

7 Commissioner Reardon.

8 COMMISSIONER REARDON: Hey, Senator
9 Ramos.

10 SENATOR RAMOS: Construction injuries
11 and deaths are on the rise and have been
12 surpassing, actually, pre-pandemic levels.
13 It's been a problem for a long time and why I
14 created a Worker Fatal Registry that the DOL
15 significantly delayed to implement. And I
16 was disappointed that they were unwilling to
17 meet with our counsel, as we requested, to
18 make sure that there was compliance. Because
19 as of right now, it's not.

20 The registry is finally posted, but it
21 does not provide information about where a
22 worker was killed and the circumstances
23 surrounding their deaths. How can we work
24 together to improve this?

1 COMMISSIONER REARDON: Was that in the
2 original law, was that required?

3 SENATOR RAMOS: It was.

4 COMMISSIONER REARDON: Okay, so then
5 we'll have a conversation about how to
6 improve the website.

7 Part of -- as you know, part of
8 our significant problem -- and we welcomed
9 this regulation. Part of our issue was that
10 it fell on the county coroners and people
11 like that to report the deaths to us. We had
12 no mechanism to force them to do that.

13 So we have done extensive outreach.
14 We have attended their conferences to talk to
15 them as groups. We have attended them -- we
16 talk to them in their localities. We've
17 impressed upon them how important this
18 information is. And we are getting better
19 compliance. Right now our numbers for
20 New York City are actually higher than the
21 New York City numbers, because our staff is
22 really trained to keep an eye on what's going
23 on.

24 SENATOR RAMOS: All right. I really

1 appreciate that --

2 COMMISSIONER REARDON: It is irregular
3 across the state.

4 SENATOR RAMOS: All right. I really
5 appreciate that because the point of the
6 registry is to figure out patterns and
7 pinpoint improvements to working conditions
8 that need to be made.

9 I have time for one more. In 2016 the
10 Joint Task Force to Fight Worker Exploitation
11 and Employee Misclassification was
12 established. However, the previous Governor
13 eliminated the yearly report that had
14 initially been required. So in addition to
15 being a blatant issue of transparency for
16 New Yorkers, how do we expect the task force
17 to be successful and their recommendations to
18 be implemented without a yearly report?

19 COMMISSIONER REARDON: If you'd like a
20 yearly report, you probably should tell us to
21 do it.

22 SENATOR RAMOS: Please do it. I can
23 tell you more formally as well.

24 COMMISSIONER REARDON: Okay. Thank

1 you.

2 SENATOR RAMOS: All right.

3 CHAIRWOMAN KRUEGER: Assembly.

4 CHAIRWOMAN WEINSTEIN: We go to
5 Assemblyman Ardila.

6 ASSEMBLYMAN ARDILA: (Mic off.) Thank
7 you so much. Nice to see you, Commissioner.

8 COMMISSIONER REARDON: Thank you.

9 ASSEMBLYMAN ARDILA: My district is a
10 waterfront district. We have communities in
11 Long Island City facing the East River,
12 communities in Maspeth facing the
13 Newtown Creek. What can we do in terms of
14 enhancing climate-resilient projects to
15 combat storms and floodings throughout the
16 state?

17 And Part B, how can we ensure that we
18 are upholding goals set out by the Climate
19 Leadership and Community Protection Act so
20 that employers within the renewable energy
21 sector are the ones getting government
22 subsidies for prevailing wages and worker
23 protections?

24 COMMISSIONER REARDON: So interesting

1 question. Of course I don't -- I'm not the
2 agency that oversees the resiliency part. I
3 think that's probably NYSERDA and DEC. But
4 happy to work with them.

5 Our charge is to make sure that we are
6 training workers in the clean energy sector.
7 And I'm very happy to say that the Just
8 Energy Transition Office will be at the DOL,
9 because that's what we do. We train workers,
10 and we're very happy to do that.

11 I want to make sure that workers
12 across the state have opportunities to work
13 and thrive in those sectors, including in
14 your district, where you obviously are
15 challenged by rising water.

16 Specifically to make sure that you're
17 being compliant with the --

18 ASSEMBLYMAN ARDILA: Superstorms,
19 actually, not just rising water.

20 COMMISSIONER REARDON: Yeah, I know
21 everything.

22 ASSEMBLYMAN ARDILA: Ida -- yeah.

23 COMMISSIONER REARDON: Yeah. It's
24 bad. It's not getting better.

1 You know, as to the compliance with
2 the CLCPA, again, it's not something I
3 oversee. But I'm sure the DEC and NYSERDA
4 would be very happy to help you with that.

5 But when it comes to the workforce
6 part of it, we would love to be a part of it.
7 You know, we are very interested in making
8 sure that people who live in those
9 neighborhoods also get to participate in the
10 work.

11 ASSEMBLYMAN ARDILA: I appreciate
12 that. Because we want to make sure that
13 folks aren't being -- you know, they are
14 getting prevailing wages, that they are
15 getting -- the PLAs are being met and
16 protections are being upheld.

17 And now I do want to piggyback off of
18 Senator Ramos's previous question, shifting gears
19 into home healthcare workers. If it took the
20 minimum wage to increase to \$18, a \$3 increase,
21 in order to attract home care workers, why are we
22 not keeping that \$3 increase?

23 COMMISSIONER REARDON: That is not a
24 question that my agency can answer. But, you

1 know, I think that it was put there
2 specifically to -- again, to stabilize and
3 draw people back into that form of
4 employment.

5 I think the home care worker situation, as
6 I said earlier, is bigger than wages. There are
7 a lot of different issues around why people are
8 not doing it. It's very hard work.

9 ASSEMBLYMAN ARDILA: It is hard work.
10 That's why we should keep it.

11 COMMISSIONER REARDON: It often is
12 done by immigrants, many of whom have been
13 excluded from our country, so that's a
14 dwindling resource. But there's a lot of
15 issues --

16 ASSEMBLYMAN ARDILA: Many of which are
17 in my district.

18 COMMISSIONER REARDON: Yes. Yeah.

19 And anything we can do to help that
20 industry, to help secure those workers' safe
21 conditions and a good wage, we're happy to
22 do.

23 ASSEMBLYMAN ARDILA: So let's fight to
24 keep -- to raise the wage for them.

1 COMMISSIONER REARDON: Okay.

2 ASSEMBLYMAN ARDILA: All right. thank
3 you.

4 CHAIRWOMAN KRUEGER: Thank you.

5 Senator Robert Jackson for a
6 three-minute follow-up as chair.

7 SENATOR JACKSON: Thank you.

8 Commissioner Hogues, I got three items
9 I want to touch base with you on. One,
10 regarding 55B and 55C programs, the Governor
11 proposed an increase from 1200 to 1700
12 positions. Do you have any insight on that?

13 COMMISSIONER HOGUES: Yes. So for the
14 first in the program's history, we are
15 approaching that 1200 mark. And to make sure
16 that we are offering an inclusive workforce,
17 we have asked to increase that by 500, to
18 1700 positions. Because like I said, we are
19 bumping up against that number.

20 So that said, the agencies have been
21 doing a great job of making jobs available to
22 individuals with disabilities.

23 SENATOR JACKSON: We're talking
24 about these are people with disabilities, on

1 the one hand, under 55B, and veterans with
2 disabilities on 55C. Is that correct?

3 COMMISSIONER HOGUES: That's correct.

4 SENATOR JACKSON: Okay. Well, I
5 support this also. And I just wanted to --
6 my staff will follow up with you on some
7 details about that, okay?

8 COMMISSIONER HOGUES: Thank you so
9 much.

10 SENATOR JACKSON: The second one is
11 the extension of the waiver. The
12 Executive -- the Governor's proposing a
13 one-year extension of the waiver of the
14 income cap for retirees to return to work in
15 school settings. Because it's hard to
16 recruit people, and they would have to give
17 up part of their pension benefits. And so
18 the Governor is proposing this.

19 I support it. But I'm going to ask
20 you to follow up with my staff about the
21 details as to how many have taken advantage
22 of this, so forth and so on.

23 COMMISSIONER HOGUES: We certainly
24 will do that.

1 SENATOR JACKSON: And the last one is
2 the special accident or death benefits for
3 individuals. So currently municipalities pay
4 a special accidental death benefit for
5 people -- families of deceased police, fire,
6 emergency medical techs of the New York City
7 Health + Hospitals Corp., and uniformed
8 officers of the NYC Housing Authority,
9 New York City Transit, Department of
10 Corrections, Bridge and Tunnels, so forth and
11 so on.

12 And the Governor is proposing to
13 include counties in this list. Do you have
14 any insight on that at this point in time?

15 COMMISSIONER HOGUES: I don't. So I
16 apologize. That is something that we will
17 have to follow up on.

18 SENATOR JACKSON: This is something we
19 will follow up with you. But obviously
20 accidental death is accidental death. And I
21 support dealing with individuals in our
22 employment that are looking after our safety
23 and security, their accidental death
24 benefits. So my staff will follow up with

1 you.

2 COMMISSIONER HOGUES: Thank you.

3 SENATOR JACKSON: Madam Chairs, thank
4 you very much for the additional time.

5 CHAIRWOMAN KRUEGER: Thank you.
6 Assembly.

7 CHAIRWOMAN WEINSTEIN: Assemblyman
8 Durso.

9 ASSEMBLYMAN DURSO: Good evening, I
10 think. Soon, right? Thank you, everybody,
11 for being here.

12 So I just had a couple of quick
13 questions, first for Commissioner Hogues with
14 Civil Service, a follow-up to something
15 Assemblyman DeStefano was talking about.
16 Just when you talk about recruitment,
17 bringing people into civil service working
18 for the state, working for local government,
19 even if it's our local municipalities. As
20 someone who came from that, worked as a
21 sanitation worker for 15 years --

22 COMMISSIONER HOGUES: Thank you so
23 much.

24 ASSEMBLYMAN DURSO: Please, I loved

1 it. Sometimes I wish I was still there.

2 (Laughter.)

3 ASSEMBLYMAN DURSO: But in regards to
4 that, so we -- he brought up a little bit
5 changes to NYSHIP where we talked about
6 Tier 6 or paying into retirement for longer
7 periods of time, or paying into the rising
8 costs of healthcare that now some of the
9 workers have to do.

10 Do you think it makes it harder to
11 recruit people to take those civil service
12 jobs that Joe spoke about -- you take these
13 jobs initially because you know you're not
14 getting rich, you know you're not making that
15 certain level of money, but you have your
16 retirement, you have your health benefits,
17 you have a solid job that's protected.

18 But now with obviously private
19 industry coming in -- which it's always
20 there -- but we want people, qualified people
21 to work for the state and in civil service,
22 do you think it's going to be harder to find
23 those people to do those jobs when your
24 salary range hasn't changed that much, or

1 really hasn't kept up with the times, on top
2 of it paying into your healthcare more,
3 paying into your retirement more? And as
4 someone that came from the sanitation
5 department, now you have to be there till
6 you're 65 years old. In all honesty, I'm 43.
7 I could not work till I was 65 years old in
8 the back of a truck.

9 So what are we doing to recruit people
10 to those jobs, keep them, you know, retain
11 them, but also understanding the needs of
12 each individual civil service job throughout
13 the state?

14 COMMISSIONER HOGUES: So once again,
15 we are looking at that, and I appreciate the
16 question. We are looking at an opportunity
17 to do a study to modernize the civil service
18 pay structure, which is critical. We've done
19 stuff over the past to increase salaries and
20 offer regional differentials.

21 But the other thing that we have to
22 realize is that the increased cost is not
23 something that is unique to state government.
24 So private sectors are experiencing the same

1 increased costs in healthcare benefits and
2 the sort.

3 ASSEMBLYMAN DURSO: But that was one
4 of the reasons, like we said, there was
5 always that same thing of I'm taking this job
6 because of my future. Right? It was the
7 retirement, it was the health benefits, it
8 was the fact that maybe you could retire in
9 20, 25 years, possibly, without too bad of a
10 limp.

11 Now, you know, working that much
12 longer, the pay structure not going up as
13 high as it probably should, not keeping up
14 with all the essentials that you have to now
15 pay into, I think recruiting qualified
16 candidates and keeping them is going to be
17 very difficult.

18 COMMISSIONER HOGUES: So there's a
19 couple of quick things there. So there's a
20 sense of job security. Once you get in a
21 competitive position, you have the
22 opportunity to advance throughout state
23 government. And state government is a huge
24 employer. So you can go and see a number of

1 things. You can start out in Parks and end
2 up in DMV. And so it's a huge opportunity.
3 I'd love to talk to you about it.

4 ASSEMBLYMAN DURSO: Thank you.

5 CHAIRWOMAN WEINSTEIN: Thank you.

6 CHAIRWOMAN KRUEGER: I think the
7 Senate is done, so back to the Assembly.

8 CHAIRWOMAN WEINSTEIN: So we have a
9 number of Assemblymembers.

10 Assemblyman Jones.

11 ASSEMBLYMAN JONES: Good afternoon,
12 evening, whatever it is. Thank you all for
13 being here and answering these questions.
14 Thank you for all your work.

15 Commissioner Hogues, we need -- first
16 of all, I want to ask, how old is civil
17 service? How long has it been in place?

18 COMMISSIONER HOGUES: I apologize, I
19 don't have that answer with --

20 ASSEMBLYMAN JONES: Okay, because we
21 were just talking about it up here and we --

22 COMMISSIONER HOGUES: It's old.

23 ASSEMBLYMAN JONES: It's old.

24 I guess my point around that is I have

1 municipalities, I have counties, I have
2 state -- I represent a lot of state workers
3 as well. Don't you think we need an upgrade
4 or a rehaul of our civil service? Because I
5 say that and if I hear from another agency,
6 municipality, whatever that says, Hey, you
7 know, we've hired a great worker, you know,
8 they're doing a good job, they have to take
9 the civil service test, they didn't place in
10 the top three. They've been working here for
11 nine, 10 months, we all love them, great job.
12 And we lost them.

13 And a lot of times when they take that
14 test, it has nothing to do with their job.
15 And certainly it doesn't have anything to do
16 with the job performance that they've been
17 doing.

18 So my question is, what are we doing
19 to address that? I know there's waivers and
20 such in place. But what are we doing to
21 address that?

22 And I do have a second question. I
23 think you -- I don't know if I misheard it.
24 You were saying something about the counties,

1 competitive with the private sector and just
2 to be attractive to individuals that are
3 entering into the workforce.

4 ASSEMBLYMAN JONES: And let's face it,
5 not everybody's a great test-taker. You
6 know, it's just --

7 COMMISSIONER HOGUES: And I agree. So
8 some of the things that we've done is we've
9 switched from where you're filling in the
10 bubbles to a training and experience. And so
11 our most recent PCO, professional career
12 opportunities, where a lot of individuals get
13 their entrance into state government, we
14 switched that. In 2019 it was fill in the
15 bubble; in 2022 it was a T&E. And we've
16 started to do preliminary studies against
17 those that took it in 2019 and 2022, and
18 we've seen that those that took it in 2022,
19 versus 2019, have done better. And we could
20 talk more about --

21 ASSEMBLYMAN JONES: And I'd love to --
22 the flexibility, can we talk about that
23 online -- or offline? And I can get ahold of
24 you on that, because --

1 COMMISSIONER HOGUES: Yes. Yes.

2 ASSEMBLYMAN JONES: That would be
3 great. Thank you.

4 CHAIRWOMAN WEINSTEIN: Assemblywoman
5 Zinerman.

6 ASSEMBLYWOMAN ZINERMAN: Good evening,
7 everyone. Thank you all for being here and
8 answering our questions.

9 I want to talk about the elephant in
10 the room. Unemployment in the Black
11 community is a deep-rooted issue with no real
12 solutions identified to tackle the problem.
13 Since the U.S. Bureau of Labor Statistics
14 first started collecting data in 1972, it has
15 generally been twice the rate of white
16 workers. And we know that this was
17 exacerbated throughout the pandemic.

18 So I have three questions for you.
19 What if any equity initiatives have you or
20 are you employing to address double-digit
21 unemployment among this group?

22 The second question has to do with the
23 recruitment, because we've talking about
24 recruitment a lot. And this is something I'd

1 really like to be a partner with you on. But
2 the question is this. Who's your target
3 audience when you're recruiting? You're
4 talking about different recruitment
5 strategies and you're talking about
6 recruiting for state jobs and specific titles
7 that we have experience and workforce
8 shortages in.

9 But what is your recruitment plan to
10 retain workers that we're losing? And again,
11 Black workers are leaving the state
12 departments as well, and the city and
13 federal, if you think about it. And also,
14 what are we doing to recruit new ones? And I
15 think -- how much time do I have?

16 Okay, good. I think I have a -- I
17 want to ask and talk about -- career pathways
18 is something that I'm working on in my
19 district. I think high school really is too
20 late to start talking to people about jobs
21 and especially jobs in the state.

22 So if we could just talk about what
23 you're doing around equity initiatives for
24 Black workers, how are we recruiting them,

1 how are we going to get them employed, how
2 are we going to reduce this number?

3 COMMISSIONER HOGUES: So we're talking
4 state workforce?

5 ASSEMBLYWOMAN ZINERMAN: Everybody. I
6 want everybody to join in.

7 COMMISSIONER HOGUES: Okay. I will
8 jump in gladly, and thank you for that.

9 We have a division, ODIM -- diversity,
10 management, inclusion -- that has kicked off
11 a campaign to reach out to the underserved
12 population. One of the things that we've
13 done is we've partnered up with the NAACP,
14 who has a --

15 ASSEMBLYWOMAN ZINERMAN: I'm a
16 card-carrying member.

17 COMMISSIONER HOGUES: All right, thank
18 you so much. You should hear about it -- to
19 do those outreaches into those -- the
20 populations, into the communities, on a
21 ground -- boots-on-the-ground-type level.
22 Because we know that individuals, all
23 individuals aren't on social media and get
24 their information that way. And that we know

1 the same questions, Stefani.

2 ASSEMBLYWOMAN ZINERMAN: Ask it again,
3 because I still have some follow-up.

4 (Laughter.)

5 ASSEMBLYWOMAN LUCAS: Just wanted to
6 know a little bit more about the investment
7 in the GAINS program. Which you may or may
8 not have.

9 COMMISSIONER REARDON: Which one?

10 ASSEMBLYWOMAN LUCAS: It's Growing
11 Apprenticeship in Nontraditional Sectors, or
12 emerging technologies. And being able to
13 pull out of career pathways, wage subsidy
14 programs, EBT ventures. This is where we can
15 extract a number of -- or grow the workforce.

16 Additionally, we spoke about -- you
17 spoke about, Commissioner, boots on the
18 ground. Is there any intention to invest in
19 incubators in these neighborhoods that are
20 typically unnoticed? Because I'm in the
21 60th Assembly District, which is East
22 New York, Brownsville, Canarsie. And we are
23 one of the highest when it comes to
24 unemployment. So when we're talking about

1 all of these wonderful things, I don't see
2 these things in our communities and I don't
3 see any outreach.

4 So could you give me a little bit more
5 information about what I just asked?

6 COMMISSIONER REARDON: So we do a lot
7 of work to make sure that underserved
8 communities understand that we are here for
9 everybody. And I said earlier, we meet our
10 customers where they are. You don't have to
11 fit in a box of any kind to access our help.

12 We have made a concerted effort over
13 the last couple of years to make sure that --
14 I have a personal thing. If I open a door
15 and look in --

16 ASSEMBLYWOMAN LUCAS: -- one minute
17 and 12.

18 COMMISSIONER REARDON: Okay. If I
19 don't see myself in that room, I'm not going
20 to go in that room. So we are changing that
21 dynamic. We want to make sure that young
22 people see themselves in these careers and
23 understand they can be powerful --

24 ASSEMBLYWOMAN LUCAS: So is there an

1 investment in a growing apprenticeship for
2 nontraditional sectors and emerging
3 technology?

4 COMMISSIONER REARDON: We are
5 definitely growing the apprenticeship
6 programs as much as we can. It requires
7 sponsors who are employers. But I can talk
8 to you offline about that.

9 ASSEMBLYWOMAN LUCAS: Absolutely,
10 because I definitely have that.

11 Additionally, in terms of pulling out
12 of these different areas with career
13 pathways, wage subsidy programs and SNAP, as
14 well as making a key investment in incubators
15 in these spaces.

16 COMMISSIONER REARDON: The incubators
17 is not something we would do. It might be
18 something that maybe ESD might do, they have
19 a -- let me think about it. But we have
20 Career Centers. We do a lot of outreach.
21 Let me talk to you offline about it, because
22 it is a personal passion of mine.

23 ASSEMBLYWOMAN LUCAS: I would
24 appreciate that. Because this is a way that

1 we can pull people in, on the ground,
2 real-time, and train trainers.

3 COMMISSIONER REARDON: Yes.

4 ASSEMBLYWOMAN LUCAS: Thank you.

5 COMMISSIONER HOGUES: So one of the
6 reasons why we're trying to be at DOL centers
7 is so we can have that presence. But we also
8 need your help to let individuals know that
9 these opportunities are available.

10 ASSEMBLYWOMAN LUCAS: I'm all in.

11 COMMISSIONER REARDON: Good. Thank
12 you.

13 CHAIRWOMAN WEINSTEIN: Thank you.

14 Assemblyman Ra.

15 ASSEMBLYMAN RA: Thank you.

16 Commissioner, thank you for the call
17 yesterday.

18 COMMISSIONER REARDON: My pleasure.

19 ASSEMBLYMAN RA: We've started to look
20 through your response regarding the UI fraud,
21 and as we go through the background materials
22 we'll reach out and maybe we'll set up a
23 meeting so we can --

24 COMMISSIONER REARDON: It's a lot, I

1 know.

2 ASSEMBLYMAN RA: So thank you. I
3 appreciate your response.

4 I wanted to just get into a little bit
5 as -- right, we talked about it, but now
6 we're talking about modernization, hopefully
7 finding ways that are going to update the
8 system and prevent some of these things in
9 the future. So can you tell me, as we're
10 implementing this, is the state looking at
11 its data sources and whether as part of the
12 modernization we're looking into sources that
13 might have current unemployment and income
14 data, as opposed to just relying on state
15 wage data?

16 COMMISSIONER REARDON: I'm sorry, ask
17 me the question again. I didn't get it.

18 ASSEMBLYMAN RA: Are you looking at
19 other -- maybe utilizing other sources of
20 data when you're trying to verify claims?
21 Like there's, you know, clearinghouses and
22 things out there that --

23 COMMISSIONER REARDON: So an
24 individual's claim? The only way we're set

1 up right now is we pull -- we contact the
2 employer and we ask them to give us their
3 wage data.

4 So that was part of the problem during
5 the pandemic. For PUA, there were no
6 employers, there were no records to pull, and
7 we didn't have any way to verify 1.5 million
8 people who were getting benefits had actually
9 been employed the way they said they were.

10 But the way the law reads for UI in
11 New York State is you have to have an
12 employer, and we contact them about your
13 employment and we contact them for your wage
14 data. That's the way the law is written. So
15 we'd have to change that law.

16 ASSEMBLYMAN RA: Okay. I understand.
17 It's something that's come up I think in a
18 number of different, you know, programs
19 throughout the pandemic, because there are
20 these data sources out there that might be
21 able to more quickly --

22 COMMISSIONER REARDON: But this is
23 this person's individual employment. So it
24 wouldn't be in a --

1 ASSEMBLYMAN RA: But that have -- they
2 keep data on consumers and all that type of
3 stuff. And, you know, in modernization it
4 might be something we can look into.

5 The other thing I wanted to -- hold on
6 one second. Sorry. I had something here,
7 I'm sorry. I actually -- actually, no, not
8 for you, Commissioner. Well, thank you.

9 I did want to ask regarding GOERS and
10 training within the department. You know, we
11 saw some reports earlier this year and in the
12 fall regarding the implementation amongst the
13 state workforce of things like sexual
14 harassment training and diversity training
15 and ethics training and all that type of
16 stuff that I think we're all used to going
17 through, and legislative staffers are going
18 through, and a very small number having gone
19 through it.

20 Do you have any information as to like
21 the executive chamber workforce? Have most
22 undergone that training? Because it was a
23 problem in the previous administration.

24 DIRECTOR VOLFORTE: My understanding

1 is that the entire executive chamber
2 workforce has undergone live training.

3 And I believe the report you're
4 speaking about is -- they transitioned from
5 the training of about 120,000 state employees
6 who have been trained, and they train
7 annually online, to ethics training through
8 that new government body, which is not
9 handled by me, and live sexual harassment
10 training, which we are in the process of --
11 to make that transition. We're about to
12 start enrolling individuals and up to
13 300 trainers to train them to train the state
14 workforce live. But we'll also continue to
15 offer other training models to ensure that
16 folks are trained.

17 ASSEMBLYMAN RA: Thank you.

18 CHAIRWOMAN WEINSTEIN: So I think I'm
19 last, with a few questions. And,
20 Commissioner -- okay. Well, I'll go first
21 and then Jo Anne. Sorry, I didn't see.

22 So Commissioner Reardon, I just want
23 to talk a little bit about unemployment data
24 relating to youth. So the headline

1 unemployment rate has come down from the
2 highs of the pandemic years, but obviously
3 not all New Yorkers nor all regions have
4 fared equally.

5 So we know that the unemployment rates
6 for youth 16 to 24 have not returned to the
7 pre-pandemic levels. And I was wondering if
8 you have any thoughts on what factors we can
9 attribute this to.

10 COMMISSIONER REARDON: It is a thorny
11 problem. You know, it is very important for
12 young people to be engaged in work at a
13 relatively early age if they're going to be
14 successful in the workplace, because it's --
15 you know, it's part of your learning.

16 Some young people are in school, so
17 they're not working. Some young people are
18 working in the gig economy, so they may not
19 be reported in public data and it's a little
20 hard to find that information. We do have
21 records of more people becoming
22 entrepreneurial, and perhaps some of them did
23 that. But there's not one answer to it.

24 It is very important that we get young

1 people when they leave school, or even before
2 they leave school, to begin to work so that
3 that's part of who they are. We do an
4 enormous amount of work with our workforce
5 development people trying to reach
6 particularly young people about career paths.
7 As I said, we are out-stationing our senior
8 staff now across the state in our Career
9 Centers for days at a time so we can connect
10 with communities and find out what's going on
11 in that community and how can we impact it.

12 We are working very closely with
13 Betty Rosa at State Ed, and all of her BOCES
14 superintendents and those people, to find out
15 how can we work more closely with them. How
16 can we connect young people to registered
17 apprenticeships, because those are wonderful
18 ways to get people into training. But a lot
19 of it is if you're -- what is your path? And
20 how can we connect you to something that's
21 meaningful so you're not just bouncing from a
22 fast food restaurant job to, I don't know, a
23 bicycle delivery job or something.

24 We want to give them a clear path into

1 their adulthood. And it's not one size fits
2 all. It's different in every community. As
3 the member said about a Black community,
4 that's a very different equation. You know,
5 and we need to make sure we have people who
6 look like them, who can speak to them and
7 help them find the answers.

8 But we are very focused on helping
9 young people find careers that they love,
10 that they can thrive in. They're the future.
11 And it's an important part of what the agency
12 does.

13 CHAIRWOMAN WEINSTEIN: So in order for
14 us to work together to help these young
15 people, I know that the reporting shows the
16 category of 16-to-24. And obviously there
17 are very different needs for those on the
18 younger portion of that scale to those on the
19 high portion.

20 And I was wondering if your agency can
21 report the labor force data on a more
22 granular level, but just separate out some of
23 that age difference. And along with that,
24 the data on the website shows labor force

1 demographics by the state's regions, but it's
2 only on a five-year-estimate basis. And the
3 latest one when we just looked at it the
4 other day, is from 2017 to 2021. Which
5 obviously, again, in terms of trying to set
6 policy, doesn't really --

7 COMMISSIONER REARDON: It's not
8 helpful.

9 CHAIRWOMAN WEINSTEIN: -- really
10 inform us as to what's going on.

11 So I'm wondering if there's a reason
12 why we can't do that on a yearly or a
13 biyearly basis, and also in terms of breaking
14 the age group down.

15 COMMISSIONER REARDON: I am guessing
16 that some of it has to do with the way the
17 federal government reports things, because
18 that often drives the way that we report
19 things. But I'm not sure about that.

20 But I would certainly be very happy to
21 go back to my research and policy folks and
22 say, you know, can we look at doing this
23 differently. Because I agree, a 16-year-old
24 is very different from a 23-year-old.

1 CHAIRWOMAN WEINSTEIN: Okay. So, you
2 know, we would look forward to working with
3 the department and trying to figure out ways
4 that we could get better information so that
5 we can help direct programming and funds.

6 COMMISSIONER REARDON: Governments
7 tend to lump people into groups, and we
8 should pull them apart and look at them in
9 a -- you're right, in a more granular way.

10 CHAIRWOMAN WEINSTEIN: Thank you so
11 much.

12 So now I want to call on Assemblywoman
13 Simon to ask a question, three minutes.

14 ASSEMBLYWOMAN SIMON: Thank you both
15 very much -- all three of you.

16 So I have a series of questions. One
17 is how quickly will the DOL modernization of
18 the equipment be done.

19 COMMISSIONER REARDON: Our aim is to
20 roll it out the end of this year.

21 However, I want to say to everybody
22 clearly today, this system will not go live
23 until it is completely tested. We know of
24 other states that have failed because they

1 did not test their systems. I will not allow
2 it to fail our citizens. So the end of the
3 year, but it's got to be tested.

4 ASSEMBLYWOMAN SIMON: Okay. I think
5 you've heard about -- unemployment issues
6 still remain, so I'd like to follow up with
7 you.

8 But the other issue I have for both
9 Department of Labor and Civil Service is
10 workers with disabilities, recruiting, how
11 accessible the -- just applying that
12 technology is to them, how accessible are the
13 tests themselves. When you're updating them,
14 how are you doing it? Who are you working
15 with to update those tests?

16 And then the accessibility of
17 apprenticeship programs as well, if you could
18 address those issues.

19 COMMISSIONER HOGUES: I'll give
20 Commissioner Reardon a break. She's been
21 talking quite a bit.

22 So we work very closely with the
23 state's first-ever Chief Disability Officer
24 to look at how we can be more appropriate and

1 precise in how we recruit. Our office of
2 ODIM is very active in not only our agency
3 but working with other agencies to make sure
4 that we are sensitive to that.

5 We work with community-based
6 organizations that represent individuals with
7 disabilities, to inform us. We have an
8 open-door policy where we listen and we make
9 adjustments appropriately. As you've heard,
10 we've increased our 55B program. We're
11 requesting an increase in our 55B program by
12 500 individuals because agencies are getting
13 it and we're working together to improve
14 that.

15 And we're always looking at
16 accessibility. One of the quick things that
17 I'll talk about is that's why it's necessary
18 for us to have state-operated testing
19 facilities. So when you talk about access,
20 sometimes in schools, in other areas, we
21 couldn't -- we're not in control of that. So
22 when we look at our state-operated
23 facilities, we have control of that to make
24 sure they're accessible.

1 ASSEMBLYWOMAN SIMON: By the way,
2 Civil Service started in May of 1883. I just
3 thought I'd let you know.

4 (Laughter.)

5 COMMISSIONER HOGUES: Thank you so
6 much.

7 COMMISSIONER REARDON: So very
8 quickly, we work with a very extensive
9 network of --

10 ASSEMBLYWOMAN SIMON: The tech is
11 accessible? That's another issue, is
12 assistive technology.

13 COMMISSIONER REARDON: Yes. We have
14 assistive technology in every Career Center.
15 All of our counselors are trained on it. All
16 of our website is accessible.

17 We have -- we meet them where they
18 are. Regardless of what their issue is, we
19 want to make sure that we serve them, soup to
20 nuts. Everything that we do for everybody,
21 we do for people with disabilities. They are
22 treated exactly the same.

23 But we have a very extensive network
24 of connection across the state, and it is

1 very robust and we work very hard to ensure
2 that people with disabilities are also put on
3 career paths.

4 ASSEMBLYWOMAN SIMON: Thank you.

5 CHAIRWOMAN WEINSTEIN: Thank you.

6 So we have exhausted ourselves and all
7 of the questions.

8 (Laughter.)

9 CHAIRWOMAN WEINSTEIN: So thank you,
10 Commissioners, for being here, Director. And
11 I know there are some follow-up questions
12 that you'll be able to get to both of us.

13 CHAIRWOMAN KRUEGER: Great. Thank
14 you.

15 COMMISSIONER REARDON: Thank you very
16 much.

17 COMMISSIONER HOGUES: Thank you.

18 CHAIRWOMAN KRUEGER: Yes, everybody
19 can take a stretch as I call the next panel
20 up: The Retired Public Employees
21 Association; Organization of New York State
22 Management Confidential Employees; CSEA Local
23 1000 AFSCME; and Public Employees Federation.

24 And then if people want to continue

1 talking to those three -- two commissioners
2 and director, take those conversations
3 outside. Thank you.

4 (Off the record.)

5 CHAIRWOMAN KRUEGER: All right. If
6 the conversations can go out in the hallway
7 and we can start up the next panel. Thank
8 you. I know it's a long day for everyone.
9 And when you do two hearings on one day, they
10 never work out the timewise you thought.

11 So let's just start off by -- one, I
12 want to reference that apparently for PEF we
13 have Randi DiAntonio, vice president. Okay.

14 MS. DIANTONIO: Thank you.

15 CHAIRWOMAN KRUEGER: Hi, welcome.

16 But why don't we start with
17 Ed Farrell. Hi.

18 MR. FARRELL: Thank you. Chairwomen
19 Krueger and Weinstein, thank you for the
20 opportunity. I'm Ed Farrell. I'm the
21 executive director of the Retired Public
22 Employees Association. We represent the
23 interests of retired state and local
24 government former employees. And there's

1 nearly 500,000 of us in the state retirement
2 system. So we're in your district, you know
3 who we are.

4 I thank you for the support you've
5 shown in the prior years. I want to talk
6 about two issues today. And you're not going
7 to hear this from anyone else, so it's very
8 important. One has to do with the COLA, the
9 cost-of-living adjustment the retirees
10 receive. When the COLA was enacted 23 years
11 ago -- you may or may not know this, but it's
12 not a real COLA. It's half a COLA. And it
13 can never be less than 1 percent or higher
14 than 3 percent.

15 Over time, the value of the pension
16 benefit that people receive has gone down
17 dramatically. And you're probably not aware,
18 but 24 percent of the retirees in the State
19 and Local Retirement System have a pension
20 under \$10,000. And nearly half of them have
21 a pension less than 20,000.

22 So there have been bills in the past
23 to say, well, let's raise the point at which
24 the COLA applies, which is 18,000. Let's

1 raise that to 21. But for these folks who
2 are getting a \$10,000 pension, raising the
3 amount at which the COLA's applied is not
4 going to help them. And these folks need
5 help.

6 And what we've proposed, come up with,
7 is a way to -- what we call a catch-up
8 provision, that if you went back to when the
9 COLA was enacted 23 years ago and said, well,
10 what if you got the real COLA, but it could
11 never be higher than 3 percent -- we're not
12 going to bust the bank, but if it were to be
13 4 percent, you know, you would get the max of
14 3. But for the most part the COLA has run
15 about 1.3, 1.4 percent.

16 And if your pension is under \$10,000,
17 getting a 1 percent increase is not going to
18 help you much.

19 These folks need help. And there's --
20 there's a lot of them. And we've come up
21 with this catch-up provision to help them.

22 So, you know, we also propose raising
23 the cap from 18 to 21. The catch-up
24 provision applies only to current retirees.

1 It would be a one-time calculation. If you
2 raise the threshold from 18 to 21, that
3 applies to everyone going forward.

4 The other issue I want to raise has to
5 do with access to skilled nursing facilities
6 for retirees in the Empire Plan. You're
7 probably aware of this, but -- because there
8 was a bill that was enacted last year. All
9 of you voted for it. It passed unanimously
10 in each house.

11 CHAIRWOMAN KRUEGER: (Inaudible.)

12 MR. FARRELL: I know.

13 I call this to your attention, it's
14 really important. The bill's been
15 reintroduced. It's Senator Breslin,
16 John McDonald. We hope that you include
17 funding for this in your one-house budget
18 resolutions.

19 And finally, we support the proposal
20 that Barbara has regarding the MC, the
21 retirees. Thank you.

22 CHAIRWOMAN KRUEGER: (Mic off;
23 inaudible.)

24 Why don't we take Barbara Zaron next.

1 You might want to (inaudible) --

2 MS. ZARON: Okay, thank you. Thank
3 you. Can you hear me? Is this working?

4 CHAIRWOMAN KRUEGER: A little closer.

5 MS. ZARON: Is that better? Ooh, yes.

6 CHAIRWOMAN KRUEGER: Better.

7 MS. ZARON: Well, thank you very much
8 for the opportunity to talk to you from our
9 perspective.

10 So I know there are some people who I
11 have not seen here before, so I'll just
12 quickly -- MC employees are unable to join a
13 union or engage in collective bargaining. So
14 they're kind of left out in the ether. And
15 we're the folks that represent them. Most of
16 them are civil servants who obtained their
17 positions through competitive examinations.
18 They're not high-level appointees that most
19 people think of when they think about civil
20 servants.

21 So our MCs, many of them feel
22 undervalued because frequently their
23 compensation is not comparable to the
24 compensation of those people who do belong to

1 a union and who negotiate their contracts.
2 So we try always to make sure that MCs are
3 treated in a way that's comparable to the
4 non-MCs.

5 And so during budget development
6 season this year, we wrote to the Governor,
7 we wrote to OER and talked to OER outlining
8 our salary and benefit recommendations for
9 MCs to be included in the budget. They were
10 not included in the budget. And so I'm going
11 to let you know now what it is that we are
12 looking for. And we used the CSEA contract
13 as our guide and our comparison.

14 So what we were hoping for is a
15 3 percent salary increase this April, a
16 \$3,000 retention bonus as of April, increased
17 location pay, expansion of longevity pay to
18 all MCs in graded positions -- not just for
19 those in Grade 17 and below -- and an
20 increased cap for sick leave.

21 So there is a bill, Senate 2395/
22 Assembly 3766, which specifically provides
23 that the state would pay comparable pay and
24 benefits for MCs. That would include salary

1 increases, longevity pay, performance
2 advances. So we certainly would like your
3 action to pass that.

4 The second issue that's of major
5 concern to us, and hopefully we can resolve
6 this this year, those folks who retired
7 between 2009 and 2015 were on the payroll
8 when the 2009 and 2010 salary increases were
9 withheld for MC employees and for no other
10 workforce folks. And what we have proposed,
11 a \$70 per month rebate for every month of
12 withholding between 2009 and '15, not to
13 exceed \$5,000. Oh, my goodness.

14 So we've tried to fix this for
15 10 years. We hope this is the year that we
16 actually can accomplish that.

17 CHAIRWOMAN KRUEGER: Thank you.

18 MS. ZARON: Thank you. No, there are
19 other things but they've been talked about in
20 the previous panel. I just wanted you to
21 know that we support a lot of the things that
22 were discussed by the previous panel.

23 CHAIRWOMAN KRUEGER: Thank you.

24 MS. ZARON: Thank you.

1 CHAIRWOMAN KRUEGER: Thank you.

2 Next we're going to go to Joshua
3 Terry, legislative director, CSEA Local 1,000
4 AFSCME.

5 MR. TERRY: Great. Thank you,
6 Senator. Thanks, everybody, for being here.

7 For a decade we had -- the state
8 workforce was strangled. We couldn't hire
9 anybody, nobody was being admitted. Local
10 governments are also facing a lot of
11 difficulty in hiring employees. And we see
12 that in our numbers. We have fewer CPS
13 caseworkers. We have fewer emergency
14 dispatchers, people maintaining our local
15 infrastructure. New York State has lost, in
16 about a decade, 13,000 employees, net. Our
17 local governments, about 7 percent of the
18 workforce has been -- we have a net loss of
19 7 percent in that same time.

20 So this is the time that we need to
21 start making investments. And we are really
22 happy to see the Governor has finally
23 embraced investments in the public workforce,
24 and we're very supportive of a lot of these

1 proposals. We will give credit where credit
2 is due. Because I think I've said here in
3 years past -- I have blamed agencies on not
4 hiring. Agencies are trying to hire. OPW
5 and OMH especially are doing their best. But
6 there are a lot of headwinds out there for
7 hiring.

8 Specifically in this budget we are
9 very supportive of the continuous recruitment
10 proposal from the Governor. We need to offer
11 tests routinely. We cannot do it every
12 couple of years. We need to get fresh lists.
13 We need people to get offered jobs to come
14 into the workforce.

15 We're supportive of a proposal to
16 waive civil service exam fees for a number of
17 years. If \$40 is a barrier of entry to the
18 public workforce, it needs to be done away
19 with. You do not have to pay Target or
20 Amazon to apply for a job. There's no reason
21 you should have to apply for -- pay money to
22 not even apply for a job, to take a test to
23 possibly get a job with the state.

24 We also -- you know, there's been a

1 lot of talk of how do we connect these jobs
2 to underrepresented communities in the
3 workforce. We need to enter the community
4 with these job opportunities. Websites are
5 great, it's really good that they get posted
6 there. But unless we get into communities
7 with these job positions and talk to people
8 about how to apply for the civil service,
9 we're not going to connect these jobs with
10 those individuals.

11 And lastly, I will channel my Senator
12 Robert Jackson and talk about how much we
13 don't like Tier 6. I won't use his phrase,
14 because he'll use it later.

15 (Laughter.)

16 MR. TERRY: We need to look at Tier 6
17 reform. We are incredibly thankful for what
18 was done last year, but that just scratched
19 the surface. We have a lot of work to do to
20 make Tier 6 an attractive pension benefit for
21 people that want to -- that are looking for
22 work and looking for not just a job, but for
23 a career.

24 So we need to look at the

1 contributions, we need to look at the final
2 average salary, we need to look at the value
3 of the pension.

4 So we really look forward to working
5 with you in -- over the coming month. We're
6 down to one month now.

7 And in my last five seconds I'll say
8 hi to my two kids, who are eating tacos,
9 watching me on TV at home.

10 (Laughter.)

11 CHAIRWOMAN KRUEGER: Thank you.

12 And Randi DiAntonio from PEF.

13 MS. DiANTONIO: Good afternoon,
14 Chairpersons Kruger, Weinstein, Pheffer Amato
15 and Jackson, and to all other distinguished
16 members. My name is Randi DiAntonio. I'm
17 the vice president of the New York State
18 Public Employees Federation. We represent
19 about 50,000 professional, scientific and
20 technical employees employed by the State of
21 New York.

22 I'm very thankful for the opportunity
23 to appear here today and talk about the
24 Executive Budget.

1 Ditto to everything my brother at CSEA
2 just said as far as we are heartened by the
3 fact that we're sitting here having a
4 dialogue, a real dialogue, about improving
5 the staffing at state agencies, improving how
6 government operates. We are the frontline
7 workers. Whether we do it in our facilities
8 or we do it behind a desk, we take care of
9 New Yorkers. And the last decade has made it
10 almost impossible to do the work that we love
11 to do.

12 So we're hopeful that a new day is
13 dawning. And we thank the Governor for
14 lifting the hiring freeze last year. We're
15 committed to rebuilding this workforce. But
16 frankly, there's a number of things that we
17 heard about today that we need to fast-track.

18 You know, there are things that we've
19 heard today about modernizing the civil
20 service system and doing studies, and they
21 are great ideas. We support all of them.
22 But what we're hearing from the folks in the
23 field are that these things aren't happening
24 fast enough. We hear from folks in the field

1 that New York State isn't attractive as an
2 employer anymore because of Tier 6, because
3 they don't have the same level of pension
4 benefits, because the pay isn't equal, you
5 know, to what they could get in the private
6 sector.

7 And frankly, although civil service is
8 a great equalizer and it brings people
9 on-board from all different places, once they
10 get there, they don't always feel supported.
11 We've seen the last years of an increased
12 reliance on overtime. Our workforce is
13 stressed out, they're exhausted, and they
14 work in somewhat toxic and unsafe working
15 conditions.

16 So not only do we have a problem on
17 the front end with recruitment, we have a
18 problem on the back end with retention. We
19 have seen -- and in the Governor's budget she
20 talks about we're down 12,500 workers, with
21 26 percent more ready to retire. Those folks
22 ready to retire are going to go. And we
23 don't have people coming on board fast enough
24 to replace them.

1 We know that our services are critical
2 to New Yorkers, from OPWDD -- which is
3 significantly short-staffed, although we're
4 trying to bring people on -- to OMH. We've
5 asked for monies in the budget to support
6 reopening some of the homes. But we need an
7 emergency staffing plan. You know, the
8 reality is a lot of these things are great
9 ideas and we're appreciative that there's
10 going to be conversation. We're happy that
11 there's no closures to fight off.

12 But the reality is, you know, studies
13 are great, but we know pay equity is a huge
14 problem. We know many of our titles can go
15 to the private sector and make more money.
16 And because we have about 50/50 frontline
17 versus administrative support titles, many
18 can do different types of jobs remotely and
19 go to other places to work. But we need them
20 in government because they take care of our
21 people.

22 So thank you so much for the
23 opportunity today.

24 CHAIRWOMAN KRUEGER: Thank you.

1 Okay, all four have testified; I'm
2 going to now take questions. I know that
3 Senator Ramos would like to start us off with
4 questioning.

5 SENATOR RAMOS: I would. Thank you,
6 Senator Krueger.

7 Randi, can you talk a little bit more
8 about the situation with how tight the labor
9 market is right now? You know, the state
10 workforce has clocked in 20 million hours in
11 overtime. That's a lot. And now the
12 Governor's indicating that New York is
13 currently in need of 12,500 workers. Can you
14 talk a little bit more about how we got there
15 and how we can fix it?

16 MS. DiANTONIO: Well, I think we got
17 there over the last 10 or 11 years of
18 austerity budgets, demonizing, frankly,
19 government workers, making people feel
20 devalued so they didn't want to stay in this
21 workforce.

22 So I think that the culture of the
23 workforce changed. I mean, I've been with
24 the state 26 years, and it wasn't like that,

1 you know, the first 15 years I was there. So
2 I think there's a lot of cultural issues that
3 affect the workforce.

4 Also, you know, with COVID came many
5 different extreme working conditions. And
6 with our healthcare professionals -- although
7 many other titles -- they were able to go
8 elsewhere and to work as travelers, to do
9 agency nursing, to go into the private
10 sector, to do remote health. I mean, we
11 represent social workers who now can do
12 telehealth. We represent nurses who can go
13 be travelers.

14 So I think we didn't get here
15 overnight, and we know we're not going to fix
16 it overnight. But we do have to acknowledge
17 that the folks that are on the frontlines,
18 the folks that do this work, have to be
19 incentivized, they have to be rewarded. I
20 think there's a lot of things we can do to,
21 you know, make public service an option for
22 people. We don't talk about it anymore. We
23 used to.

24 SENATOR RAMOS: That's true. That's

1 true.

2 MS. DiANTONIO: And we don't bring it
3 back to our communities to say, this is a
4 career choice that will bring you a lot of
5 benefits and a lot of reward.

6 SENATOR RAMOS: Thank you, Randi.

7 I have one more question for Josh.

8 Josh, how can we ensure that
9 continuous recruitment is used to expand the
10 state workforce to include more people of
11 color?

12 MR. TERRY: Yeah, I mean I think it
13 gets to what I talked about towards the end
14 of my testimony, which is we need to promote
15 these exams. Civil service is -- it came up
16 a little bit earlier; I think Assemblyman
17 Jones brought this up. It's a tough system.
18 It's complex. Not everybody understands it.

19 I mean, unless you're in that world --
20 I always say like if you look at a civil
21 service exam notice, it looks like -- it
22 could look like a lead abatement form. You
23 don't know what you're actually reading.

24 (Laughter.)

1 SENATOR RAMOS: It does not look
2 attractive at all.

3 MR. TERRY: So let's get into the
4 community, let's go to -- let's work with
5 organizations, community-based organizations
6 to push these job opportunities out. It
7 doesn't have to be the state is the only one
8 that's promoting these. I mean, NAACP came
9 up earlier --

10 SENATOR RAMOS: Does the union do it?
11 Does the union go into CBOs to talk to them?

12 MR. TERRY: We are 100 percent
13 committed to working with the state and the
14 Department of Civil Service to enter the
15 community and start promoting these jobs and
16 using, quite frankly, our membership to
17 promote these jobs. Because our members are
18 the best salespeople on the work that they
19 do.

20 SENATOR RAMOS: That's right.
21 Excellent. Thank you, Josh.

22 CHAIRWOMAN KRUEGER: Thank you.
23 Assembly.

24 ASSEMBLYWOMAN JOYNER: Member Pheffer

1 Amato.

2 ASSEMBLYWOMAN PHEFFER AMATO: Thank
3 you. Boy, I don't know where to go now.

4 First of all, I want to thank you both
5 past and present frontline workers, all of
6 your membership, for everything they've done
7 for us. I mean, they did get us through the
8 pandemic. And I'm sure many of our retirees
9 were out there calling the active to let them
10 know what they should be doing correctly.

11 I'm going to just jump to Josh, if you
12 can answer a question for me, something
13 that's been circulating around here. There's
14 been a lot of recent discussion surrounding
15 the CSEA executive branch contract regarding
16 out-of-network health insurance benefits.
17 Can you describe what the negotiated -- and
18 what the impact on public employees in
19 New York are?

20 MR. TERRY: Great. Assemblywoman,
21 thank you. I appreciate that.

22 There's been a lot of misinformation
23 on this topic, and we sent a letter this week
24 that everybody here should have received.

1 CSEA, when we were in collective
2 bargaining negotiations with the state this
3 past summer, we negotiated a change in the
4 rate that doctors receive if they are
5 out-of-network, if they are out of the NYSHIP
6 network. This is the only place it applies
7 for. In addition, it does not apply to any
8 other state union or state union's contract
9 other than CSEA's.

10 When we -- when that went into our
11 agreement, NYSHIP has -- they have legal
12 authority, and this stems from I think the
13 1950s or '60s, to extend any rate changes to
14 participating agencies -- so local government
15 employers and public authorities. And they
16 chose to do so. That was not part of our
17 agreement, they did that unilaterally.

18 In reality, what this change means for
19 our members is they still have full access to
20 the whole NYSHIP network, and especially from
21 Long Island and New York City, I mean, you
22 can throw a rock and hit a participating
23 doctor in the NYSHIP system. But they still
24 have the full authority to go out of network.

1 And --

2 ASSEMBLYWOMAN PHEFFER AMATO: So --

3 MR. TERRY: Oh, I'm sorry,

4 Assemblywoman --

5 ASSEMBLYWOMAN PHEFFER AMATO: You go.

6 You go.

7 MR. TERRY: So what change was the
8 actual reimbursement rate? We went from
9 about 550 percent of the Medicare rate,
10 generally, to about 275 percent of the
11 Medicare rate. Which is still, for
12 out-of-network coverage and out-of-network
13 rates, compared to most other plans, is still
14 a very generous reimbursement rate.

15 ASSEMBLYWOMAN PHEFFER AMATO: So let
16 me just clarify this.

17 So there's no diminished benefit to
18 the membership, we just took -- it's less
19 payout to the doctor.

20 MR. TERRY: One hundred percent
21 correct, yes.

22 ASSEMBLYWOMAN PHEFFER AMATO: Okay.
23 So I'm just going to repeat that again. So
24 we did not diminish any benefit to the

1 membership.

2 MR. TERRY: One hundred percent
3 correct.

4 ASSEMBLYWOMAN PHEFFER AMATO: Okay, I
5 just want to make sure we're really clear on
6 that and we get that for the sound bite,
7 because --

8 MR. TERRY: I appreciate that.

9 ASSEMBLYWOMAN PHEFFER AMATO: -- it's
10 been circulating and the conversations have
11 been all over the place. Thank you for that.

12 Ed, I want to say to you that any
13 retiree that's making \$10,000, we should be
14 helping. So I want to support that just to
15 say that, you know, what salary they got
16 years ago and not catching up, it's really --
17 we're just promoting the poverty.

18 MR. FARRELL: Correct.

19 ASSEMBLYWOMAN PHEFFER AMATO: And for
20 all the service they gave us to be a
21 retiree -- you know, I want you to just know
22 that I'm supportive of those initiatives and
23 just help to bring them forward.

24 MR. FARRELL: Thank you.

1 Thirty-some-odd years ago, salaries were much
2 lower. And, you know, your final average
3 salary in your pension was \$10,000 or less.

4 ASSEMBLYWOMAN PHEFFER AMATO: In 1986
5 when I first worked for the Department of
6 Sanitation, I made \$17,000, so --

7 (Laughter.)

8 ASSEMBLYWOMAN PHEFFER AMATO: Thank
9 you very much, all of you.

10 CHAIRWOMAN KRUEGER: Senator Robert
11 Jackson.

12 SENATOR JACKSON: So good evening. It
13 is evening, right? Yes, it is.

14 So I have a question to you. I always
15 said that Tier 6 sucks. But, you know, I'm
16 saying that now because it expresses the
17 dissatisfaction from the people that I've
18 talked to. And so I ask you, as leaders of
19 the various unions or organizations you
20 belong to, what are you hearing about Tier 6
21 and why the people are not in favor or it?

22 So if you can give me short answers,
23 because I only have two minutes and a half.

24 MS. DiANTONIO: I'll start.

1 I think it's very disheartening for
2 people to stand next to a worker that's
3 getting a completely different benefit. They
4 see no end of light at the tunnel, you know?
5 There's nothing there to stay committed to
6 state work. I think what we hear from Tier 6
7 members is, you know: This isn't worth me
8 staying for, I can go somewhere else. So it
9 really creates a situation where people are
10 not staying as career employees. And I think
11 that's a huge issue.

12 It's also -- it's a much lower benefit
13 that they're paying more for. So -- I mean,
14 I think, in a nutshell, they pay more to get
15 less.

16 SENATOR JACKSON: Barbara?

17 MS. ZARON: I personally have not
18 heard a lot. But I think that, in part, that
19 maybe we tend to have longer-term
20 employees --

21 SENATOR JACKSON: You're the
22 management/confidential employees, is that
23 correct?

24 MS. ZARON: Most of the folks start

1 either through a CSEA or PEF kind of position
2 and work their way up -- not all, but a fair
3 proportion of.

4 And it may be that they're more
5 consumed with the immediate issues that
6 they're trying to deal with than even
7 thinking about --

8 SENATOR JACKSON: Okay. Do you mind
9 if I go to Josh, please?

10 MS. ZARON: So most of them may not be
11 Tier 6. I'm sure there are some, but I think
12 most of them probably are the earlier tiers
13 and not quite as intimately involved with the
14 issue of Tier 6.

15 SENATOR JACKSON: Thank you.
16 Josh, please?

17 MR. TERRY: It's three things. They
18 pay more for Tier 6, they get less under
19 Tier 6, and they have to work longer, at the
20 end of the day. Those are the three things
21 that our members talk about.

22 SENATOR JACKSON: And Ed, what are you
23 hearing? Even though you're dealing with the
24 Retired Public Employees Association.

1 MR. FARRELL: Senator, I can tell you
2 that retirees have zero conversations about
3 this.

4 (Laughter.)

5 SENATOR JACKSON: They're gone.

6 But also I want to know, in the last
7 24 seconds, how bad is contracting out in
8 your unions, PEP and CSEA? And you only have
9 18 seconds, and I can follow up with my
10 staff.

11 MS. DiANTONIO: It's a significant
12 problem in many of our agencies. We have
13 nurses or other titles sitting next to a
14 state employee, making more money, with less
15 responsibilities. They have their own
16 schedule set for what works for them. It
17 really is divisive and demeaning to the state
18 workforce, and it costs way more money.

19 SENATOR JACKSON: Josh, we'll
20 follow up with you on that, okay?

21 MR. TERRY: Absolutely.

22 SENATOR JACKSON: And the two of you
23 also, if you heard anything.

24 Thank you.

1 CHAIRWOMAN KRUEGER: Thank you.
2 Assembly.

3 ASSEMBLYWOMAN JOYNER: Member Lucas?

4 ASSEMBLYWOMAN LUCAS: Thank you,
5 Madam Chair.

6 Okay, this is for the Retired Public
7 Employees Association. In your testimony,
8 the pension cost of living speaks to catching
9 up to the annual cap of 3 percent for the
10 current eligible retirees.

11 MR. FARRELL: Correct.

12 ASSEMBLYWOMAN LUCAS: What is the
13 impact to the State of New York fiscally to
14 fill this potential budget ask for the
15 retirees?

16 Additionally, will our current
17 inflation rate have a subsequent impact on
18 the cost-of-living increase for the retirees?

19 MR. FARRELL: This proposal that I
20 talked about was actually in print at the end
21 of last session, and it had a fiscal note.
22 So the fiscal note from the retirement system
23 put the catch-up provision at \$107 million.
24 Which is peanuts when you consider the

1 pension fund is 242 billion.

2 ASSEMBLYWOMAN LUCAS: Okay. And the
3 second part of the question?

4 MR. FARRELL: Which was --

5 ASSEMBLYWOMAN LUCAS: The inflation
6 rate --

7 MR. FARRELL: Our proposal still has
8 the 3 percent cap. Only one time in the
9 history of the COLA did it ever reach
10 3 percent, and that was this year. That's
11 because inflation was 9 percent. So we got
12 3.

13 That's the only time in the history of
14 the COLA that we've gotten 3 percent. For
15 the most part we've gotten, on average, 1.5.

16 ASSEMBLYWOMAN LUCAS: So will it have
17 an impact on -- the inflation rate, will it
18 have a subsequent impact on the
19 cost-of-living increase for retirees?

20 MR. FARRELL: The 3 percent cap
21 remains in place. So if inflation drops down
22 to 8 percent instead of 9, we would still
23 only get 3.

24 So there have been two times in the

1 history where actually the rate of inflation
2 was less than 1 percent, and the retirees got
3 a bit of a boost because we got the 1
4 percent, as opposed to a half of 1 percent.
5 So --

6 ASSEMBLYWOMAN LUCAS: Got it.

7 MR. FARRELL: It's in there, but if
8 you leave the guardrails in there with the 1
9 percent floor and the 3 percent ceiling, none
10 of that changes.

11 ASSEMBLYWOMAN LUCAS: Thank you.

12 MR. FARRELL: You're welcome.

13 CHAIRWOMAN KRUEGER: Thank you.

14 Assembly.

15 ASSEMBLYWOMAN JOYNER: Member Jones.

16 ASSEMBLYMAN JONES: Hello, everyone.

17 And thank you for your testimony.

18 First of all, I just want to state I'm
19 with you on Tier 6. We need to reform it.
20 What better way of a recruitment tool would
21 we have than to improve Tier 6, when we're
22 sitting here talking about we don't have
23 enough workforce in many of our agencies.

24 On that, I do want to touch on

1 something else, and I do have some questions
2 here. I've been hearing a lot from your
3 members about safety issues in a lot of the
4 facilities that you work in. I actually -- a
5 colleague from CSEA of Josh's the other
6 evening, when I was at the reception, pulled
7 me aside and showed me some very disturbing
8 pictures of one of your employees.

9 What can we do to improve that
10 situation in those facilities? That's my
11 first question.

12 My second question, because I'm going
13 to get it all out, we have this cap with
14 retirees. We raised it from 30,000 to
15 35,000. And I ask this because we need to
16 continue to recruit people. What's your
17 opinion on the cap, and should we still have
18 it in place? I know I'm putting you on the
19 spot a little there.

20 But we need to recruit workers and we
21 need to get people in these agencies. This
22 is detrimental. It has to do with safety in
23 our facilities. It has to do with other
24 things going.

1 Also on the COLA, I missed part of
2 your testimony, I apologize. What is the
3 recommended -- what do we want to see that
4 percentage of COLA going up to?

5 So I'll leave those questions to you
6 to answer.

7 MR. TERRY: Assemblyman, on the first
8 part of your question on safety in our
9 worksites, it is a real problem. But I think
10 you -- you know, you also alluded to the
11 answer. A lot of the issues that we have
12 regarding safety -- and it really revolves
13 around violence -- it's about staffing. And
14 you are safer when you're in pairs or, you
15 know, with multiple people.

16 And unfortunately, over the course of
17 the last decade, that's gone by the wayside,
18 but the job still has to get done. So our
19 members still go into a situation that may be
20 unsafe, and it's not by the book, but they
21 have to go treat a patient, right? I mean,
22 you have to provide the service. And our
23 members will always do that, regardless of
24 the situation.

1 And so we need to -- it's staffing.
2 It comes down to staffing, at the end of the
3 day.

4 MS. DiANTONIO: And the only thing I'd
5 like to add to that, I agree a hundred
6 percent, staffing has a lot to do with it.
7 But over the course of 10 years we also
8 closed a lot of our intensive treatment
9 facilities that were geared towards the most
10 complex-need individuals. And when that
11 happens, they end up in settings that might
12 be less secure, less structured, less
13 environmentally controlled. And that also
14 influences how they're taken care of and how
15 safe they are, and the people who take care
16 of them are.

17 ASSEMBLYMAN JONES: Thank you. I'll
18 get the other question offline.

19 CHAIRWOMAN KRUEGER: Thank you.
20 Senator Jack Martins.

21 SENATOR MARTINS: Thank you. Thank
22 you all for still being with us a couple of
23 minutes before 7 o'clock.

24 Josh, to your point, I mean, is there

1 a recommendation on how we streamline this?
2 I'm hearing from a bunch of different sources
3 that we have jobs, we have people who may
4 want to work -- and we'll deal with Tier 6 in
5 a second. But, you know, we can't get a
6 list, we can't get an exam, there seems to be
7 a bottleneck here. And do you have any
8 suggestions on how we should deal with that
9 from our end?

10 MR. TERRY: I mean, I think part of it
11 is staffing within the Department of
12 Civil Service. I mean, they have been
13 decimated. And I know -- I read PEF's
14 testimony earlier, and they allude to this in
15 that testimony, that the department doesn't
16 have enough staff to run the operations.

17 So the commissioner referred to this:
18 They have to prioritize, and they're only
19 looking at tests that are the most critical.
20 Which is causing problems across the board.
21 Because by the time we catch up to the ones
22 that are -- the jobs that are less critical,
23 the ones that are not urgent, we've already
24 lost them. Right? I mean, we're already way

1 understaffed.

2 So I think we need to make the
3 investments inside the department, which
4 we're happy the Governor has started doing
5 that last year into this year.

6 SENATOR MARTINS: And when we talk
7 about retirees, \$10,000, are we talking about
8 people who have put in their 20 or 30 years
9 in state service, full-time employees, at the
10 end of their retirement, and then only
11 qualifying for \$10,000 in pension? Are we at
12 that point? Or are we dealing with the
13 majority of those people in your example
14 being part-timers who put in their 10 years
15 and then moved on to the private sector?
16 Where is that range?

17 MR. FARRELL: No --

18 SENATOR MARTINS: Because they would
19 still qualify for a pension.

20 MR. FARRELL: You have to be able to
21 qualify for the pension. So if you're
22 part-time, you can't put in 10 years, you'd
23 have to put in 20 years, you know, to have
24 your 10-year --

1 SENATOR MARTINS: Well, then let's say
2 it's 20 years as a part-timer. I'm just
3 trying to contextualize --

4 MR. FARRELL: These are folks -- these
5 are real people who, because their job --
6 their salary was so low when they were
7 working 30 years ago, that when their pension
8 was calculated that those -- this is a
9 quarter of the people in the retirement
10 system.

11 SENATOR MARTINS: Don't get me wrong,
12 I'm not questioning that. I'm trying to
13 contextualize the nature of those -- whether
14 this was their full-time job or these are
15 people who had a full-time job outside,
16 because we have many people who work
17 part-time in the public sector. That's all.
18 I wanted to clarify that.

19 And as far as Tier 6, you know,
20 it's -- I hear it, I know you hear it every
21 day, people who are working side by side with
22 others who are in different tiers who are
23 asked to do the same work, receiving less and
24 fewer benefits. And I do think it's

1 something that we should address.

2 And I was hoping, in the last
3 20 seconds or so -- give me your thoughts.

4 MS. DiANTONIO: We would support that
5 all the way. Thank you.

6 SENATOR MARTINS: And Josh, with about
7 10 seconds, you want to say hello to your
8 kids again?

9 (Laughter.)

10 MR. TERRY: They're probably on their
11 fifth taco at this point, but --

12 (Laughter.)

13 MR. TERRY: We need to lower
14 contributions for Tier 6. We need to bring
15 it down to 3 percent, Senator.

16 CHAIRWOMAN KRUEGER: Thank you.
17 Assembly.

18 ASSEMBLYWOMAN JOYNER: We wish we were
19 having tacos too.

20 (Laughter.)

21 ASSEMBLYWOMAN JOYNER: But Member
22 Bronson.

23 ASSEMBLYMAN BRONSON: Thank you,
24 Madam Chair.

1 And thank you all for your testimony.
2 My first question is for
3 Ms. DiAntonio. And we usually talk about the
4 Rochester Psych Center, but we're not going
5 to talk about that tonight. You used the
6 phrase -- you said "What we need now is an
7 emergency staffing plan." What would that
8 look like?

9 MS. DIANTONIO: Well, I think there's
10 a lot of obstacles that get in the way of
11 bringing staff on board fast. Some of them
12 relate to what was alluded to around staffing
13 and Civil Service -- not having enough tests,
14 not having enough testing sites, not being
15 accessible.

16 But it's also the time frame between
17 someone taking a test and getting hired. We
18 have great candidates who are interested in
19 working for the government, and it takes six
20 months to bring them on board after they
21 offer them an exam -- offer them the job. So
22 we lose them in that time between.

23 What I can tell you from just looking
24 at this, years ago human resources used to

1 have control at the agency levels, at the
2 local level, on their on-boarding -- when
3 they posted positions, how they brought
4 people on. That function has mostly been
5 centralized into our Albany central offices.
6 It takes a lot longer. The more layers you
7 put on it, the longer it takes.

8 We're losing good people. So I think
9 if there are ways to bring down those
10 obstacles so that it takes less time. I
11 think also the way we bring people in from
12 like student internships, mentorships. We've
13 gotten away from that. We used to have
14 relationships with a lot of colleges that
15 they would provide interns. Those interns
16 would then become long-term employees. And
17 we worked with them so they knew the job.

18 What's happening now is people that
19 get hired get thrown into the fire and
20 they're like, Holy cow, I'm working 30 hours
21 of overtime my second week here, I don't know
22 what I'm doing. And then they may leave.

23 So we put all this investment -- even
24 if we can get them in the door, it's hard to

1 keep them if we don't wraparound the supports
2 they need. So I think there's a lot of
3 conversation we can have about how to better
4 that. You know, all of this really boils
5 down to talking about these issues and coming
6 up with creative solutions. I'm heartened
7 that we're talking about them, because I
8 don't think -- even though we've been ringing
9 this bell for a long time, we haven't had
10 these in-depth conversations.

11 ASSEMBLYMAN BRONSON: So I've been
12 doing this for a long time. This is the
13 first year we're talking about how do we
14 recruit state workers. It used to be cut,
15 cut, cut. And now we're paying the piper. I
16 mean, now we're facing -- I mean, there's
17 lots of other reasons why we're
18 short-staffed, because short-staffing is
19 everywhere. But for state workers it's
20 because we went through a decade of balancing
21 budgets by cutting workers.

22 And so I'm glad we're having this
23 conversation. I look forward to working with
24 all of you and trying to turn this around.

1 CHAIRWOMAN KRUEGER: Thank you.

2 I don't believe -- no, we don't have
3 any other Senators, so Assembly, keep
4 rolling.

5 ASSEMBLYWOMAN JOYNER: Member Simon.

6 ASSEMBLYWOMAN SIMON: You need some
7 work, some training.

8 (Laughter.)

9 ASSEMBLYWOMAN SIMON: So thank you all
10 for your testimony.

11 So I wanted to ask a similar question,
12 and that is when it comes to recruitment and
13 training and the accessibility --
14 accessibility can be many things. How are
15 PEF and CSEA reaching out to people with
16 disabilities in the workforce who need these
17 jobs? We want people paying taxes.

18 You know, what are we doing to bring
19 people into the workforce who have
20 disabilities? Which could be a whole, as you
21 know, huge continuum of people who might
22 need, you know, minor accommodations on the
23 worksite.

24 MR. TERRY: Yeah, Assemblywoman, thank

1 you for that question.

2 You know, we're really supportive of
3 the Governor's proposal to increase the 55B
4 program from 1200 to 1700. The report that
5 came out at the end of 2022 from the
6 Rockefeller Institute, which was requested,
7 mandated by the Legislature, showed that
8 we're nearing that level, we're nearing the
9 capacity in that program. And so this is
10 probably the time for us to expand it.

11 When people take those jobs, they are
12 in our bargaining units, and they are
13 entitled to all of our contract, we represent
14 them. And we really serve a valuable role
15 within not just the state government but
16 local governments as well. And so we really
17 want to encourage, you know, more people to
18 enter that program because they are more
19 heavily unemployed statewide -- nationwide.
20 And we need to do more to encourage them to
21 come into this workforce.

22 MS. DiANTONIO: And we agree. We
23 support the 55B expansion. But I think also
24 not only bringing people in but keeping them,

1 we really need to look at the reasonable
2 accommodation process, making sure people are
3 given the tools that they need to stay in the
4 workforce once they're there. Because a lot
5 of times people may become disabled while
6 they're a state employee, and it's very
7 difficult to bring them back or keep them on
8 the job.

9 And there should be a more robust,
10 more timely process to do that. We find a
11 lot of people end up, you know, retiring or
12 leaving early because the agencies either
13 cannot or will not accommodate. So there's
14 more to do in that area, absolutely.

15 ASSEMBLYWOMAN SIMON: And so I'd like
16 to talk to you about that, because that is an
17 ongoing obligation of an employer, whatever
18 that agency is.

19 And of course it's also about
20 promotions, right? There are plenty of
21 people -- you know, 55B isn't the only way
22 that you can bring people with disabilities
23 into the workforce. You have people who are
24 highly educated that need certain -- you

1 know, screen reader -- you know, right, and
2 can do whatever job you have, but they're not
3 necessarily the 55B workforce.

4 So I want to make sure we expand our
5 mentality about that as well, and an ongoing
6 issue with regard to accommodations. So
7 thank you.

8 ASSEMBLYWOMAN JOYNER: Member
9 Zinerman.

10 ASSEMBLYWOMAN ZINERMAN: Good evening.

11 This question is for Ms. Zaron. In
12 your testimony you have an entire section on
13 diversity in hiring and employment. And I
14 just want to refer first to the first bullet
15 allowing for expanded remote working
16 arrangements where possible.

17 How many jobs have been reevaluated to
18 include that as an option? Especially when
19 we think about the cost of childcare and how
20 many women have left the workplace -- happy
21 Women's History Month.

22 And I also -- so that's just my
23 question. Other things, I just want to say I
24 think that we can do -- and I know we've had

1 to do that as well with regard to recruiting
2 people to come and work for the Assembly --
3 really talking to people about not only the
4 tasks related to the job, but the environment
5 that people are going to work in.

6 Recruitment has been a reoccurring
7 theme throughout this entire hearing today.
8 everybody has touched on it. And I really
9 think that we have to expand what -- have a
10 profile of who we're trying to recruit,
11 having a real idea of what people are looking
12 for in work. People want to be valued, they
13 want to understand the mission of the
14 organization, they want to connect their work
15 to the mission of the organization.

16 So how much of that is actually being
17 done in your recruitment? And specifically
18 if you can just kind of answer the question
19 about remote access and how many people --
20 how many job titles have actually been
21 reevaluated to include remote access, working
22 remotely.

23 MS. ZARON: Well, I personally have no
24 idea how many jobs have been evaluated --

1 UNIDENTIFIED LEGISLATOR: I'm sorry, I
2 can't hear you.

3 MS. ZARON: I personally -- she was
4 asking me how many jobs have been evaluated
5 or reevaluated for remote access. I don't
6 know the answer to that.

7 ASSEMBLYWOMAN ZINERMAN: Okay. Well,
8 it's one of your -- that's why I asked. Does
9 anybody else want to jump in? All right, if
10 you don't know, is it something that you're
11 in support of, you want to see happen?
12 Because I know a lot of workers, this is a
13 big question for them.

14 MS. DiANTONIO: Yeah. So with PEF
15 titles, we have 3,000 titles, and many of
16 them have been able to show that they can be
17 productive working remotely. We also know
18 that many of those professions in the private
19 sector are offering remote work. So it not
20 only becomes something that people want to do
21 for work/life balance reasons, but it also
22 becomes a tool to keep people in their jobs
23 and to bring people into the workforce.

24 You know, our position is that we want

1 to maximize hybrid work, remote work, where
2 it's feasible to do so, because we believe
3 that people that have work/life balance, you
4 know, are happier. But at the same time we
5 also know 50 percent of our workforce are
6 not -- they're in jobs that are public
7 facing, front facing. Those are not going to
8 be options.

9 So I don't know off the top of my head
10 like how many have been evaluated. I know
11 that, you know, PEF has entered into
12 agreements and discussions with state
13 agencies; where we can do it, we are
14 encouraging agencies to look at this and
15 really support it.

16 CHAIRWOMAN KRUEGER: Thank you.

17 Assembly again.

18 ASSEMBLYWOMAN JOYNER: To close,
19 Member Manktelow.

20 ASSEMBLYMAN MANKTELOW: Thank you,
21 Madam Chair.

22 And good evening, everyone. Good
23 evening, Randi, how are you?

24 MS. DiANTONIO: I'm good, Brian, how

1 are you?

2 ASSEMBLYMAN MANKTELOW: Good. Good.
3 Couple of questions for you, really quick,
4 Randi.

5 My colleague next to me, Assemblyman
6 Jones, touched on workplace safety. And I've
7 met with many of the workers -- some of those
8 workers, Randi, working doubles and triples,
9 some of them having families. One of the
10 women I talked to had twins at home.

11 I've got concerns as well about the
12 safety not only in the workplace, but when
13 they leave the workplace. What can we do to
14 emphasize that, what can we do to make that a
15 top priority not only in the budget process,
16 but outside of the budget process? Because
17 this isn't going to fix everything in a
18 month.

19 So I was just wondering what your
20 thoughts were, Randi, on that. Or anyone.

21 MS. DiANTONIO: So we've also heard
22 from many of those workers, a lot of them are
23 probably members of CSEA, at least I think
24 you're talking about at OPWDD, primarily, in

1 our area?

2 ASSEMBLYMAN MANKTELOW: Yup.

3 MS. DiANTONIO: You know, for -- the
4 state was in a critical situation and they
5 offered 2.5 times overtime to many of our
6 employees to sort of support CSEA's work in
7 direct care so that people weren't working
8 doubles, triples. Unfortunately, that's very
9 expensive in this system, and wasn't going to
10 be the forever solution.

11 I do think that we need to do more
12 with flexible scheduling, alternative work
13 schedules, compressed work weeks, and be
14 really creative, because people are being
15 expected to work doubles and triples. They
16 can't do it. You can't work for certain
17 agencies if you have children, if you have a
18 dog, if you have a life. And they're not
19 going to stay if they go to work and they
20 can't leave.

21 ASSEMBLYMAN MANKTELOW: Especially,
22 like you said earlier, you throw them right
23 into the fire right off the bat, then they're
24 not going to stay.

1 MS. DiANTONIO: I mean, I would think,
2 you know, CSEA probably has a little more to
3 say about this, because it's mostly their
4 members that are in these -- at least with
5 OPW, and I know that's who's contacted you.
6 They've been on the frontlines of a very
7 difficult situation for many, many years.

8 MR. TERRY: Yeah, it's a great point,
9 Assemblyman. And the problem we have is we
10 have people get hired, especially OPWDD, they
11 are on the job one week, and they are
12 mandated overtime. And it could be mandated
13 overnight, it could be on a weekend. They
14 quit. Right? I mean, they do not stay.

15 But the ones that do -- I mean, we've
16 had members that have worked consecutive
17 hours of 50, 60, 70 hours because they cannot
18 leave their group home unless they have
19 relief. And if that relief calls out sick,
20 if the person just doesn't show up, they're
21 staying there.

22 And our members care. Our members are
23 not going to abandon their clients, right? I
24 mean, they truly love these people. I mean,

1 they build these long-lasting relationships
2 with --

3 ASSEMBLYMAN MANKTELOW: I see that
4 firsthand.

5 MR. TERRY: And so they will work
6 those hours. They will miss the birthdays,
7 they will miss picking their kids up from
8 daycare and figure out another arrangement.
9 It is a real problem to really solidifying
10 the -- not just the workforce, but the
11 industry and the care that they're able to
12 provide.

13 ASSEMBLYMAN MANKTELOW: One second
14 left. You have my full support in changing
15 Tier 6. Thank you.

16 CHAIRWOMAN KRUEGER: Thank you.

17 ASSEMBLYWOMAN JOYNER: To close,
18 again, Member Ra.

19 ASSEMBLYMAN RA: Thank you all for
20 your patience today.

21 I just had a question for PEF. There
22 has been some conversation -- I know you have
23 members that work within some of the prisons
24 regarding HALT and basically your desire to

1 maybe make some changes to HALT.

2 MS. DiANTONIO: So yes, we do -- we
3 represent teachers, counselors, a number of
4 different professional titles within our
5 correctional settings. And the HALT bill,
6 while very well-intentioned -- and we agree
7 with a lot of aspects of it in regards to we
8 want people to be treated humanely.

9 Unfortunately, what we're hearing from
10 our members are some unintended consequences
11 to it, with an increase of up to 45 percent
12 of inmate-to-inmate assaults and about
13 25 percent increase in staff assaults. A lot
14 of the circumstances we're hearing about are
15 people doing bad acts so that they get
16 removed from the larger population because of
17 safety reasons.

18 So, again, we support, you know, a lot
19 of the intent of the HALT legislation, but we
20 think there needs to be some tweaks to make
21 it safer for people. We are definitely
22 hearing from our members that they have
23 concern not only for safety for themselves
24 and the people that they serve, but

1 therapeutically. They just don't have --
2 some of those programs, while from the
3 outside looking in may look like they're bad
4 programs, there are therapeutic reasons to
5 keep people separate from one another, to
6 make sure they're in a safe space, to make
7 sure that if they're decompensating they get
8 treatment in a way that is going to protect
9 them and others.

10 So I think those are conversations we
11 should have about this with all those
12 players. You know, everybody should be at
13 the table. Because I don't work in
14 Corrections, so I can't speak to their
15 day-to-day business, but we have heard some
16 really bad stories coming out of there. And
17 frankly the majority of people getting hurt
18 are the people that are incarcerated.

19 ASSEMBLYMAN RA: Thank you.

20 CHAIRWOMAN KRUEGER: All right, since
21 the Senate and the Assembly are closed for
22 this panel, thank you very much for being
23 here with us tonight. We appreciate it.

24 PANELISTS: Thank you. Thank you.

1 CHAIRWOMAN KRUEGER: Thank you to your
2 members.

3 Next panel up is going to be the
4 Center for New York City Affairs at
5 The New School, James Parrot, director of
6 many things; the National Employment
7 Law Project, Paul Sonn, state policy
8 program director; and Hugh Baran from the
9 Kakalec/EmPIRE Coalition.

10 MR. PARROTT: Good evening.

11 CHAIRWOMAN KRUEGER: Good evening.
12 How are you, James?

13 MR. PARROTT: James Parrott is my
14 name, I'm director of economic and fiscal
15 policies at the Center for New York City
16 Affairs. Thank you for the opportunity to
17 testify this evening.

18 I want to come back to the
19 unemployment insurance issue. New York
20 State's unemployment insurance financing is
21 severely flawed. It is the reason we're
22 facing an \$8 billion trust fund federal debt
23 that will take another four to five years to
24 pay down. It's the reason our benefit

1 structure is mediocre at best and inferior to
2 benefits paid in all of our neighboring
3 states. And it is the reason our employers
4 are paying much higher UI taxes than they
5 were before the pandemic.

6 New York's UI tax structure causes
7 small employers with fewer than 100 employees
8 to pay effective tax rates, relative to total
9 wages, that are three to four times the rates
10 paid by large companies with 500 or more
11 employees. Industries with low-average wages
12 pay much higher effective UI tax rates than
13 very high wage industries like finance,
14 information, media, technology and so on.

15 The irony here is that the pandemic
16 hit hardest those industries and employers
17 who are paying the highest taxes now and, on
18 the flip side, the industries that prospered
19 during the pandemic are paying the lowest
20 unemployment taxes. My written testimony has
21 charts with the latest data from the federal
22 government that illustrate this very
23 regressive tax structure.

24 The root of the problem is New York's

1 unusually low taxable wage base of \$12,300,
2 lower than in 35 of the 50 states despite the
3 fact that New York has the highest average
4 weekly wage of all 50 states. Because of
5 New York's chronic UI trust fund insolvency,
6 the state's maximum weekly benefit has been
7 frozen at \$504 since 2019. It would be \$200
8 more per week if our fund were solvent, and
9 nearly twice that if it were 50 percent of
10 our average weekly wage -- which it was in
11 2000.

12 Some commentators have mistakenly
13 attributed New York's trust fund debt to
14 fraud. This tendency was compounded by an
15 unfortunate press release accompanying a
16 State Comptroller audit that exaggerated the
17 extent of fraud related to the state's UI
18 trust fund by a factor of 25 -- they made up
19 a number.

20 New York's UI trust fund debt burden
21 can only be addressed by overhauling the
22 financing system, by following the lead of
23 other states that assess unemployment taxes
24 on a higher portion of payroll and also on

1 gig companies. New York can pay back its
2 debt sooner, make sure big corporations pay
3 their share, expand the state's inadequate
4 benefits, and actually reduce taxes on small
5 businesses. New York has the latitude under
6 federal law to lessen the weight of the
7 experience rating in setting our tax rates.

8 Thank you.

9 CHAIRWOMAN KRUEGER: Thank you.

10 Next? Hi, Paul.

11 MR. SONN: Am I on? Yup.

12 CHAIRWOMAN KRUEGER: Yes.

13 MR. SONN: Great.

14 Well, thank you, Chairs Krueger,
15 Weinstein, Ramos and Joyner, and other
16 members of the committee. Thanks for the
17 opportunity to testify this evening on the
18 competing proposals to raise New York's
19 minimum wage. I'm Paul Sonn, with the
20 National Employment Law Project.

21 I'll briefly summarize some of the key
22 points that I spell out in more detail in my
23 written testimony.

24 First, the highest inflation in

1 40 years is rapidly eroding New York's
2 first-in-the-nation \$15 minimum wage and
3 reducing the historic reductions in poverty
4 and earnings inequality statewide that the
5 \$15 minimum wage achieved.

6 The Legislature, we respectfully urge,
7 should reverse those gains by first including
8 in the one-house budgets the Raise the Wage
9 Act that many of you are cosponsors of, and
10 it's sponsored additionally by Senator Ramos
11 and Assemblymember Joyner, and then work to
12 pass it. It would raise the minimum wage to
13 \$21.25 by 2026 and then automatically adjust
14 or index it each year after that so that it
15 keeps up with inflation and worker
16 productivity going forward.

17 The Governor's meager minimum wage
18 proposal -- which is far less generous than
19 New York's last minimum wage increase that
20 the Republican-led Senate negotiated and
21 passed back in 2016 -- is far too small and
22 really, with respect, should be a nonstarter.

23 While there are many problems with it,
24 its major failing is that it provides only

1 for tiny adjustments to partially respond to
2 future inflation, while ignoring altogether
3 the huge past drop in the value of New York's
4 minimum wage as a result of inflation since
5 2019. In essence, the Governor proposes to
6 close the inflation barn door only long after
7 the horse has escaped.

8 The Governor's proposal would lock in
9 the inadequate \$15 minimum wage by
10 implementing just tiny increases averaging
11 about 40 cents a year. What that means is
12 under the Governor's proposal, by 2027,
13 New York's minimum wage would still be only
14 \$16 and change.

15 By contrast, Table 2 in my testimony
16 shows what minimum wages will look like in
17 other high-cost places in the country by
18 then. They will be in the 20 to \$21 range in
19 many high-cost cities, including Seattle,
20 Washington, D.C., Denver, Colorado, and
21 others.

22 Moreover, other high-cost states such
23 as Massachusetts, Vermont and California are
24 proposing increases in the \$20 range. The

1 Raise the Wage Act would bring New York's
2 wage in line with those similar high-cost
3 places. The Governor's proposal would leave
4 it \$4 or \$5 an hour lower than these other
5 high-cost regions. Fresno, California, and
6 Yakima, Washington, would have higher minimum
7 wages than New York under the Governor's
8 proposal.

9 Even worse, her proposal would not
10 even ensure that New York's wage keeps up
11 with inflation going forward. That's because
12 she has capped increases at just 3 percent.
13 In the very first year, inflation will be
14 6 percent. Be happy to go into other details
15 of how her indexing proposal is far out of
16 line with what, you know, the majority of the
17 other states use.

18 There's a lot of research that has
19 shown that the \$15 minimum wage didn't hurt
20 jobs. And finally, today they rolled out a
21 coalition of more than 200 businesses
22 statewide, in all regions of the state,
23 backing the \$21 Raise the Wage Act. They
24 span from Western New York to Long Island

1 to --

2 CHAIRWOMAN KRUEGER: I have to cut you
3 off, Paul. Sorry.

4 MR. SONN: Thank you.

5 CHAIRWOMAN KRUEGER: Thank you.

6 MR. SONN: Thank you.

7 CHAIRWOMAN KRUEGER: Certainly.

8 Good evening.

9 MR. BARAN: Good evening.

10 Can you hear me or -- can you hear me
11 now? Yes, okay.

12 Thank you to Chairs Krueger,
13 Weinstein, Joyner, Ramos and the entire
14 committee for the opportunity to testify
15 today. My name is Hugh Baran. I'm an
16 attorney at Kakalec Law, a workers' rights
17 law firm based in Brooklyn and serving
18 workers across the state.

19 I'm here to testify about why
20 Assemblymember Joyner and Senator Hoylman's
21 EmPIRE Worker Protection Act, A1893/S541,
22 needs to be included in the budget as a
23 revenue-raiser that would contribute close to
24 \$30 million annually to the DOL's budget,

1 allowing the agency to hire more
2 investigators and enforcers for years to
3 come, to address our state's wage-theft
4 crisis.

5 Employers steal \$3 billion every year
6 from New York workers. This theft
7 disproportionately affects Black, Latinx,
8 immigrant workers and other workers of color
9 who are disproportionately represented in
10 high-violation industry jobs. We've always
11 depended on a combination of private and
12 public enforcement to address this wage theft
13 and other violations of the Labor Law.

14 Despite new protections that have been
15 enacted by the Legislature, several trends
16 are jeopardizing New York workers' ability to
17 exercise their rights. On the public
18 enforcement side, caseloads have risen at
19 DOL, but staffing levels have declined -- so
20 much so that DOL has fewer than half the
21 investigators that it had in the 1960s.

22 On the private litigation side,
23 increased fear of retaliation and other
24 hurdles have posed obstacles to workers

1 trying to address violations of their rights.

2 As you just heard from my colleague
3 Paul Sonn, there's been a lot of talk about
4 raising the minimum wage in the budget, and
5 it appears likely this could be done through
6 the budget. But passing a higher minimum
7 wage will be undermined if workers can't
8 enforce the minimum wage and wage-theft
9 protections that we already have on the
10 books.

11 The EmPIRE Act would address the
12 state's lack of public enforcement capacity
13 by allowing workers and labor organizations
14 to stand in the shoes of the state and bring
15 public enforcement actions seeking civil
16 penalties, declaratory and injunctive relief
17 for wage and hour, health and safety, and
18 retaliation violations.

19 EmPIRE encourages robust enforcement
20 of the Labor Law, awarding workers affected
21 by violations a 40 percent share of civil
22 penalties recovered, with 60 percent going to
23 the DOL to fund future public enforcement
24 efforts in a typical case.

1 The EmPIRE Act does not create any new
2 requirements for employers. It simply
3 expands public enforcement of laws that are
4 already on the books. DOL simply does not
5 have the resources to address the current
6 scale of the wage-theft crisis, and a
7 temporary increase in DOL's budget will not
8 change this.

9 The act states that civil penalties
10 recovered for DOL are to be used for
11 enforcing the Labor Law and are to be
12 continuously appropriated to supplement and
13 not supplant the funding to the agency for
14 those purposes. This will create a permanent
15 revenue stream for DOL's enforcement for
16 years to come.

17 In California, PAGA, a law which
18 inspired EmPIRE, has generated an average of
19 \$67 million per year for that state's
20 Department of Labor. It's estimated EmPIRE
21 would generate close to \$30 million per year.
22 That money can help fund hiring of more
23 investigators and enforcers for years to
24 come.

1 Thank you. Happy to answer any other
2 questions about EmPIRE.

3 CHAIRWOMAN KRUEGER: Thank you.

4 Our first questioner is Chair Senator
5 Ramos.

6 SENATOR RAMOS: Thank you, Chair
7 Krueger. And welcome, gentlemen. Great to
8 see you all.

9 Mr. Baran, I apologize, I'm not going
10 to be asking you questions, mostly because I
11 agree with everything you've said.

12 (Laughter.)

13 SENATOR RAMOS: And I do agree with
14 the other gentlemen, of course, but I would
15 love for James Parrott to expand a little bit
16 on actual possible solutions to our UI
17 situation and how to bring the fund out of
18 the deficit that it's in, in hopefully about
19 a minute?

20 MR. PARROTT: Yeah. So as I was
21 indicating, the main problem is that the
22 taxable wage base in New York is only
23 \$12,300. So an employer only pays the UI tax
24 on the first \$12,300 in wages.

1 New York is the highest-wage state
2 overall, so a lot of wages in New York are
3 going untaxed. So effectively you could
4 raise the taxable wage base in the
5 neighborhood of \$50,000 to \$60,000, which
6 would not make it the highest -- Washington
7 State is at \$62,000, a half-dozen states are
8 around \$50,000.

9 You raise it to \$50,000, you could
10 generate more revenue, pay off the trust fund
11 debt in two to three years, lower taxes on
12 small employers. New York State has latitude
13 under federal law to change the emphasis that
14 experience rating has in the -- in setting
15 the tax rates. That could further lower the
16 tax rates on small employers.

17 So it's raising the tax rate,
18 changing -- raising the taxable wage base,
19 changing the structure, shifting the tax
20 burden from small employers to large
21 employers.

22 SENATOR RAMOS: Thank you. And
23 succinct, I appreciate that, Mr. Parrott.

24 MR. PARROTT: Thanks.

1 patterns along the Pennsylvania/New York
2 border where the wage differential is about
3 \$4 or \$5 an hour --

4 SENATOR RAMOS: Anything about
5 Long Island? I'm trying to get
6 Senator Martins on the bill.

7 (Laughter.)

8 MR. SONN: Yes, on Long Island as
9 well. The most significant one was the
10 recent University of California study which
11 looked at the impact of the full \$15
12 minimum wage on Long Island and upstate
13 counties, and it found that job -- it focused
14 on the fast food minimum wage, which has been
15 at \$15 for several years, long enough to
16 study. It found that job growth was equal to
17 or faster in Long Island and upstate than in
18 similar counties in other states that had
19 much lower minimum wages.

20 CHAIRWOMAN KRUEGER: Sorry, Paul, I
21 have to stop you there.

22 SENATOR RAMOS: Thank you, Paul.

23 CHAIRWOMAN KRUEGER: Thank you.

24 Assembly.

1 ASSEMBLYWOMAN JOYNER: Member Lucas.

2 ASSEMBLYWOMAN LUCAS: Thank you,
3 Madam Chair.

4 I think this is for EmPIRE Coalition.

5 MR. BARAN: Yes.

6 ASSEMBLYWOMAN LUCAS: You mentioned in
7 your testimony that the loss of 3 billion in
8 wages that are stolen each year due to
9 inadequate enforcement of the Labor Law.

10 Can you speak to what enforcement
11 should look like? As well as what mechanism
12 as legislators should we have in place to
13 curtail these types of losses?

14 MR. BARAN: Absolutely. So I think
15 there's always got to be a combination of
16 different enforcement mechanisms. And that's
17 how the law has always -- our laws under the
18 federal law, the Fair Labor Standards Act,
19 and the New York Labor Law, have always
20 treated it.

21 But there's going to be public
22 enforcers like the departments of labor but
23 also private enforcers, people who are
24 directly harmed by the violations, bringing

1 lawsuits in court to address these
2 violations.

3 Part of the problem right now is that
4 the -- there isn't a significant enough
5 deterrent mechanism for employers because the
6 penalties are so low. You know, even if
7 workers get together and bring a claim for
8 the violations -- like we, for example,
9 represent workers at a paper bag factory
10 upstate. The violations, you know, end up
11 being a couple of minutes a day. For each
12 worker, those violations are very
13 small-dollar.

14 And for the employer, at the end of
15 the day, if they have to pay, it's not
16 necessarily a lot of money to that employer.
17 They pay that money that they stole plus an
18 equal amount is liquidated damages. And it
19 ends up being very little to deter the
20 violation. And so a lot of violations go
21 undetected and unabated.

22 The EmPIRE Act, if it's enacted, would
23 create a new default civil penalty of \$500
24 per pay period per worker per violation.

1 From that penalty, 40 percent would go to the
2 workers who are affected by the violations
3 and 60 percent would go to the Department of
4 Labor to fund future enforcement.

5 And in California, where they have
6 this similar law, those penalties have helped
7 start new enforcement initiatives and fund
8 new enforcement initiatives, in particular to
9 address independent contractor
10 misclassification.

11 ASSEMBLYWOMAN LUCAS: Thank you for
12 that.

13 MR. BARAN: You're welcome.

14 CHAIRWOMAN KRUEGER: Thank you.

15 Oh, do you have more? I'm sorry, you
16 have a few more seconds if you wish.

17 ASSEMBLYWOMAN LUCAS: No, I'm okay.

18 CHAIRWOMAN KRUEGER: I didn't want to
19 cut you off.

20 Okay, Senator Martins.

21 SENATOR MARTINS: Thank you.

22 It's good to see you again. It's been
23 a few years.

24 MR. PARROTT: Yup.

1 SENATOR MARTINS: You know, I do have
2 some concerns. I've heard from constituents
3 back home that every time they go to the
4 supermarket the price of things is higher.
5 It just costs more. And, you know, it's not
6 due to anything we've done. Certainly
7 there's inflation nationally, and they're
8 seeing the impacts of those -- that inflation
9 reflected in their ability to purchase
10 everyday items.

11 There is a concern that increasing
12 minimum wage will add to an inflationary
13 cycle and add to costs to basic goods to
14 people who are looking to purchase, and will
15 impact those, especially those on fixed
16 incomes who are unable to absorb that.

17 And so I was curious if you can give
18 us your insights, whether you relate back to
19 the minimum wage increase that was done just
20 a few years ago or whether you have
21 independent insights of that. For those who
22 are concerned about an increase and how it's
23 going to impact those who are least able to
24 pay, what say you?

1 MR. PARROTT: Well, I can start and
2 Paul can supplement this.

3 Look at our experience when we raised
4 the -- when we phased in the \$15 minimum wage
5 in New York City. So the minimum wage
6 basically doubled between 2014 and 2019.
7 There was no noticeable inflation at that
8 time in New York.

9 The recent inflation we've had is very
10 unusual. You know, it's due to a combination
11 of factors, none of which are related to what
12 people might call wage push inflation --
13 wages rising, leading businesses to raise
14 prices. The inflation we've seen is due to
15 supply chain problems related to the
16 pandemic, the Russian war in Ukraine and the
17 effect that that's had on oil prices and
18 grain prices and food prices around the
19 country.

20 Plus, you know, there's a recent
21 report from the Federal Reserve Bank of
22 Cleveland that found that corporate pricing
23 power was responsible for half of the
24 inflation recently, which just added to

1 profits.

2 So none of the research about the
3 recent inflation -- or our own experience in
4 New York when we raised the minimum wage to
5 \$15 -- points to an effect on minimum wage
6 increases leading to inflation.

7 MR. SONN: So it really is not a
8 driver of inflation, but it's a vital
9 response to inflation. Because inflation is
10 eroding consumers' and workers' purchasing
11 power in their -- you know, you just have to
12 go to the grocery store or the gas pump and
13 you can see how everything is costing a lot
14 more.

15 And the Governor's very small proposal
16 is just not enough to help to catch paychecks
17 up to where they need to be.

18 SENATOR MARTINS: Thank you.

19 CHAIRWOMAN KRUEGER: Thank you.

20 Assembly.

21 ASSEMBLYWOMAN JOYNER: Member Simon.

22 ASSEMBLYWOMAN SIMON: Here we go.

23 Thank you.

24 Thank you, Mr. Parrott. I always

1 enjoy hearing from you and your expert
2 advice. You were once in my neighborhood on
3 an issue --

4 MR. PARROTT: We're well-represented
5 in the Assembly.

6 ASSEMBLYWOMAN SIMON: So I think this
7 sounds like a great idea.

8 But I wanted to also speak to
9 Mr. Baran about the EmPIRE whatever Act --
10 sorry. And I just -- for a matter of the
11 record alone.

12 So you're essentially raising the
13 penalties and you're empowering individual
14 attorneys or not-for-profit public interest
15 law firms, for example, to in fact act as the
16 Department of Labor, get those penalties, and
17 they would be empowered to bring an action
18 for declaratory relief penalties, injunctive
19 relief, but not damages. Is that correct?

20 MR. BARAN: That's correct.

21 ASSEMBLYWOMAN SIMON: Okay. So
22 this -- we're not talking about mental
23 distress or other kinds of damages that are
24 usually the kinds of things people are

1 worried about in terms of the, you know --
2 what is the -- the opening-the-floodgates
3 kind of thing. So this really is going to be
4 limited in terms of the kind of remedies that
5 you can get that would directly then help New
6 York State as well as help those workers who
7 would get a cut of that.

8 Is that correct?

9 MR. BARAN: Correct.

10 And so where the Labor Law already
11 provides for a civil penalty, that is the
12 civil penalty that would apply. Most of the
13 Labor Law provisions do not provide for that
14 kind of civil penalty. And so there would be
15 a new default penalty that would apply in
16 these actions of \$500 per worker per pay
17 period per violation.

18 So it's very predictable and clear
19 what the costs of stealing wages or
20 committing other violations of the Labor Law
21 are, and part of our hope is that it will
22 actually deter those violations from
23 happening in the first place.

24 ASSEMBLYWOMAN SIMON: We have passed a

1 couple of bills that are about wage theft. I
2 had passed a wage-theft law last year; there
3 have been others. Why are they not
4 sufficient for this purpose?

5 MR. BARAN: So there's a combination
6 of reasons. One is -- there's definitely a
7 combination of reasons. Part of the -- on
8 the private enforcement side is there's a
9 real increased fear of retaliation among
10 workers, particularly immigrant workers in
11 the current anti-immigrant climate that we're
12 facing. That's one big problem.

13 The other problem is just various
14 obstacles to privately enforcing your rights
15 in court, and to banding together to enforce
16 rights in court. You know, some of those are
17 obstacles that we've seen from the
18 Supreme Court and bad decisions in case law
19 there. But they're not only limited to that.

20 And in general -- particularly a lot
21 of these wage-theft cases involve
22 small-dollar violations. And frankly, for
23 attorneys like me, a lot of those kinds of
24 violations just simply aren't big enough to

1 be able to have an incentive to pursue.

2 ASSEMBLYWOMAN SIMON: Hard to find
3 counsel.

4 MR. BARAN: And so when you have --

5 CHAIRWOMAN KRUEGER: I'm sorry, I have
6 to cut you off. Thank you.

7 Senator Robert Jackson.

8 SENATOR JACKSON: Am I to close? No.

9 But thank you for coming and speaking
10 out.

11 Paul, I want to ask you what -- can
12 you talk about the impact of the Governor's
13 proposal on home care workers and the
14 vulnerable population that they serve?

15 MR. SONN: Yeah, it was really quite
16 surprising that the Governor, having just
17 negotiated 10 months ago this important \$3 an
18 hour wage premium for home care workers, that
19 she's now proposing to freeze it and phase it
20 out.

21 And, you know, I think every -- the
22 rationale for that policy was that home care
23 work is so demanding that it needs to pay
24 above minimum wage in order to be able to

1 adequately recruit a workforce, you know, in
2 light of our urgent home care labor shortage.
3 So the policy needs to be kept permanently
4 above minimum wage.

5 And so Senator Ramos and
6 Assemblymember Joyner's Raise the Wage Act
7 would do that. It would preserve the
8 \$3 increment. It would modify it so that as
9 the minimum wage goes up, the home care wage
10 would remain \$3 above the general minimum
11 wage, preserving that important incentive.

12 The Governor, though, is proposing to
13 strip that away, and it's really puzzling and
14 really, you know, kind of counterproductive.
15 And with respect, we would urge the
16 Legislature to preserve that important gain
17 for home care workers and build on it with
18 the Raise the Wage Act.

19 SENATOR JACKSON: And so it will be up
20 to us in order to pass the law and, if she
21 vetoes it, to override the veto.

22 MR. SONN: I don't think -- she
23 proposed modifying the law from last year.
24 The law as is is written to keep the home

1 care wage \$3 above the minimum wage. So that
2 includes the minimum wage phased up to \$21
3 under the Raise the Wage Act. So as long as
4 you do not accept the Governor's amendments
5 that were included in her budget proposal,
6 the \$3 increment will stand.

7 But you obviously need to be very
8 clear on that.

9 SENATOR JACKSON: And Jim, what do we
10 need to do from a legislative point of view
11 in order to basically raise the revenue in
12 order to help reduce the time frame to pay
13 back the money for the unemployment? I mean,
14 do we have the heart to do that?

15 MR. PARROTT: You know, other states
16 change their taxable wage base all the time.
17 New York seems to have a really hard time
18 addressing its unemployment insurance
19 problem. It wasn't addressed from 2000 until
20 2014, and then the proposal was so flawed
21 that many of us were skeptical that the --
22 you know, that it would effectively prevent
23 the trust fund from going into debt the next
24 recession. The trust fund lasted two weeks

1 this time before New York had to start
2 borrowing.

3 You write legislation that changes the
4 UI tax structure. That's at the discretion
5 of New York State. You have to be in
6 compliance with federal guidelines on that.
7 New York has a fair amount of latitude.
8 Other states have much higher taxable wages
9 bases.

10 We can change the taxable wage base in
11 the structure and project out what that would
12 do to the trust fund balance. And that
13 likely would allow for an acceleration of
14 repaying the debt and increasing benefits.
15 because our benefits are really -- they're
16 below mediocre.

17 SENATOR JACKSON: And we call
18 ourselves the Empire State.

19 CHAIRWOMAN KRUEGER: I have to cut you
20 off, Robert. Sorry.

21 Assembly.

22 ASSEMBLYWOMAN JOYNER: Okay. Thank
23 you to the panel for your insight on all of
24 the proposals that you brought up.

1 I had a couple of questions for Hugh.
2 The EmPIRE Act is currently not in the
3 proposal, the Governor's budget proposal. So
4 can you talk a little bit more about this
5 \$30 million that could potentially be a
6 revenue-raiser? How many jobs do you
7 estimate DOL could see from this?

8 MR. BARAN: Yes, so in California the
9 PAGA, which is the law that inspired EmPIRE,
10 has generated an average of \$67 million per
11 year from 2016 to 2021. And so our estimate
12 of \$30 million per year is sort of accounting
13 for New York's just a smaller state than
14 California and there's fewer -- obviously
15 there's fewer workers as a result.

16 But we do think that once attorneys
17 have become familiar with how to use EmPIRE,
18 that it's going to generate a lot of revenue,
19 and potentially more. It might -- we
20 actually think we've run a fairly
21 conservative estimate.

22 In terms of jobs, I mean, what we've
23 seen in California is it's actually enabled
24 the hiring of a lot of new people into their

1 state DOL. You know, first there were
2 people -- part of the way the EmPIRE Act
3 works is that you have to file a claim, a
4 notice of claim with the Department of Labor.
5 So there will be people at the department
6 reviewing those notices as an initial matter
7 that will help sort of spur other
8 investigation efforts. Those are jobs that
9 will be created.

10 In addition, then once the revenue
11 starts coming in from EmPIRE actions, we
12 think there could be dozens of new
13 investigators and enforcers who are hired. I
14 don't have exact numbers at my fingertips;
15 I'm happy to get that to you if you like.

16 But I think what's really important
17 about this is it's a permanent revenue
18 stream. It's not something that would vary
19 year to year based on a budget. It's money
20 that's going to come in every year from these
21 EmPIRE actions, and it will be protected to
22 be used for these enforcement purposes.

23 ASSEMBLYWOMAN JOYNER: Okay, great.

24 And my remaining two questions are for

1 the remaining panelists. The Governor's
2 proposal has a 3 percent cap on minimum wage
3 indexing. Can you talk a little bit about
4 what the impact will be to workers?

5 And then I know, James, you spoke
6 about the taxable wage base. I think you
7 said 12,000, right? It's currently at
8 \$12,000?

9 MR. PARROTT: Twelve thousand three
10 hundred currently, right.

11 ASSEMBLYWOMAN JOYNER: And if you
12 could speak -- if we change that, what would
13 the impact be on businesses and employers as
14 well?

15 MR. SONN: The Governor's proposal to
16 cap inflation adjustments at 3 percent would
17 mean that not only would workers' minimum
18 wage not catch up for the past inflation
19 since 2019, but it wouldn't even keep up with
20 inflation in the future. Because this very
21 first year, inflation is supposed to be close
22 to 6 percent. She would authorize only a
23 3 percent increase. So New York's minimum
24 wage will continue to erode.

1 Of the 19 other states that adjust
2 their minimum wage for inflation, 16 have no
3 caps or limits. It hasn't resulted in
4 unmanageably high minimum wage increases,
5 including during the past years of high
6 inflation. They're just completely
7 unnecessary and unfair, and they should be
8 rejected.

9 Also, almost no other states have
10 the -- she would automatically suspend
11 increases whenever unemployment ticks up.
12 Virtually no other states do that. And that
13 should be rejected as well.

14 CHAIRWOMAN KRUEGER: Thank you.

15 Okay, I think I might be the last
16 Senator.

17 So James, I read your report, and I
18 completely agree that New York should have
19 done this years ago, and we haven't. And I
20 think, following up on where I had to cut off
21 Senator Jackson before, so some of us are
22 worried we're going to hit a new recession in
23 not that long, and we're going to need to
24 deal with unemployment benefits again.

1 How quickly could we implement the
2 changes you're making recommendations that we
3 should do, so that come the next time we
4 actually have a more reasonable benefit level
5 for unemployed workers? Because I'm not
6 counting on the federal government coming to
7 give us more benefits again.

8 MR. PARROTT: Yeah. Right. I think
9 that's a reasonable thing to not assume.

10 Well, I doubt that you could rewrite
11 the tax structure by the end of the month and
12 put it in this budget. But, you know --

13 CHAIRWOMAN KRUEGER: But soon after.

14 MR. PARROTT: I'll help, if you -- you
15 know, if there's interest in doing that.

16 I did meet with the UI specialist at
17 the Labor Department last week to review this
18 proposal, because I wanted to make sure that
19 they didn't see any legal reason why New York
20 State couldn't do that. I didn't hear any
21 objections on those grounds.

22 They did say, however, that because of
23 this computer system, which is not yet fully
24 modernized, that you couldn't implement a new

1 system, including the tax structure part of
2 it, until the new system is in place. So --
3 but hopefully it will be done by the end of
4 the calendar year -- I think that's what the
5 commissioner was saying -- so that
6 conceivably it could be in place a year from
7 now.

8 CHAIRWOMAN KRUEGER: So it could be in
9 place by the end of '23, is that what you're
10 saying? '24?

11 MR. PARROTT: Well, the end of '23 --
12 I mean, it's mainly a function of the
13 computer system.

14 CHAIRWOMAN KRUEGER: Right.

15 MR. PARROTT: You would have to -- you
16 would have to, you know, decide the best way
17 to reconfigure the tax structure, the
18 combination of taxable wage base and what you
19 want to do about experience rating and so on.

20 None of that is -- you know, it's not,
21 so to speak, rocket science to do that. You
22 just have to figure it out.

23 CHAIRWOMAN KRUEGER: But we have other
24 states to look at for the models, right?

1 It's not like we're starting from scratch.

2 MR. PARROTT: Oh, absolutely.

3 Absolutely, right.

4 CHAIRWOMAN KRUEGER: So it's not that
5 hard to steal good ideas from other states.

6 MR. PARROTT: Right.

7 CHAIRWOMAN KRUEGER: Right?

8 MR. PARROTT: Yup.

9 MR. SONN: Hundred percent.

10 CHAIRWOMAN KRUEGER: Okay -- no, I
11 don't have enough time to start another
12 question. So I want to just thank all of you
13 for your good work.

14 Is there another Assemblymember?

15 ASSEMBLYWOMAN JOYNER: No.

16 CHAIRWOMAN KRUEGER: And we have no
17 other Senators. I know you want seconds and
18 thirds, but we're not letting you do that.

19 So with that, I want to thank you all
20 very much for participating and waiting all
21 day to testify before us.

22 MR. BARAN: Thank you.

23 MR. SONN: Thank you.

24 CHAIRWOMAN KRUEGER: I want to ask you

1 or excuse you to leave or go back to your
2 seats.

3 And I'm going to call up the next and
4 actually now it will be the final panel:
5 Make the Road New York, New York Communities
6 for Change, and ALIGN. And I'm also going to
7 ask to come up at the same time No. 16, the
8 New York State Climate Education and Green
9 Energy Careers, because Nos. 14 and 15 both
10 were not able to join us. Okay? And it just
11 seems silly to do three and then one.

12 Okay? Thank you. So I see three, I'm
13 hoping for four. Oh, they're coming, they're
14 waving. No problem. Don't rush.

15 (Discussion off the record with
16 Mr. Flint, Speaker No. 16.)

17 CHAIRWOMAN KRUEGER: We're all a very
18 civilized group. Last night we had
19 pro-tobacco and anti-tobacco people at the
20 same table at the same time.

21 (Laughter.)

22 CHAIRWOMAN KRUEGER: Okay, I purposely
23 set it up that way. But, you know, it was a
24 long day. Sorry. And it was a health

1 committee -- Health hearing.

2 Okay, hi, everyone. I'll start with
3 my right, your left. So please just
4 introduce yourself and start for your
5 three minutes.

6 TAL FRIEDEN: Thank you, honorable
7 chairs and committee members. My name is
8 Tal Frieden. I work at ALIGN as the campaign
9 coordinator for Raise Up New York.

10 Raise Up New York has built a powerful
11 alliance of labor unions, grassroots
12 organizations and businesses in support of
13 raising the minimum wage to over \$21.25 by
14 2026, and indexing it annually thereafter.

15 ALIGN was active in the Fight for 15,
16 as were many of the members of the Raise Up
17 New York coalition, who together represent
18 almost 1.3 million workers across New York
19 State.

20 The Raise the Wage Act is also
21 supported by New York Business for a Fair
22 Minimum Wage, a growing coalition of over 200
23 businesses and business organizations across
24 New York, from retailers, restaurants and

1 other small businesses to farms,
2 manufacturers, and more.

3 Our coalition members are UAW workers
4 manufacturing Ford F150s in Buffalo,
5 farmworkers harvesting our food in the
6 Finger Lakes region. They're home care
7 workers in the Hudson Valley, providing
8 essential care to those who need it.

9 Raise Up New York represents fast food
10 workers across the state, 32BJ airport
11 workers at some of the busiest airports in
12 America, and UPS Teamsters in Long Island,
13 who provide the logistics infrastructure that
14 keeps our economy running. These are the
15 workers who will see a direct impact in their
16 wallets when we raise the minimum wage.

17 According to the Economic Progress
18 Institute, under Senate Bill 1978A and
19 Assembly Bill 2204A, 2.9 million workers
20 would receive an average raise of \$63 per
21 week. This increase of over \$3,300 per year
22 could mean the difference between eating and
23 heating, between a stable home and housing
24 insecurity, or between childcare and missing

1 work.

2 Governor Hochul has put forward a
3 modest proposal to index the minimum wage
4 starting at \$15 an hour, with caps and
5 exceptions that limit the impact of this
6 measure. While it is important that the
7 Governor has recognized that we need to raise
8 the minimum wage, her proposal has serious
9 faults. Namely, it does not first raise the
10 minimum wage, an essential element of
11 restoring the minimum wage's power lost due
12 to rising prices.

13 Under the Governor's proposal, 900,000
14 workers would get an average raise of \$13 per
15 week. Again, under the Raise the Wage Act,
16 2.9 million workers, or a third of New York
17 State's workforce, would get an average raise
18 of \$63 per week. The Governor's proposal
19 leaves out 2 million workers and gives those
20 who do get a raise barely enough for a
21 sandwich in New York City.

22 Moreover, the Governor funds her
23 proposal by reversing the historic raise that
24 the Legislature granted essential home care

1 workers last year, ensuring that they would
2 return to minimum wage work around the year
3 2030 when the minimum wage would finally
4 reach \$18 an hour under her proposal.

5 New York should not cut benefits for
6 some workers in order to pay for raises for
7 others. All workers need an immediate
8 increase in the minimum wage.

9 This policy is incredibly popular.
10 Eighty percent of voters -- Democrats,
11 Republicans, independents -- support it, and
12 70 percent think the minimum wage should be
13 over \$20 an hour.

14 CHAIRWOMAN KRUEGER: Thank you. I
15 have to cut you off there.

16 TAL FRIEDEN: Thanks.

17 CHAIRWOMAN KRUEGER: Next?

18 MS. SOLIS: Good evening. Thank you
19 for sticking it out with us. My name is
20 Angeles Solis. I'm with Make the Road
21 New York. I represent here 24,000 workers,
22 immigrants and tenants fighting for
23 protections in their community.

24 And I'm here to testify for a critical

1 piece of legislation carried by Labor Chair
2 Senator Ramos and Assemblymember Karines
3 Reyes, the Unemployment Bridge Program, S3192
4 and A4825. This legislation is a solution to
5 a structural problem, and that is exclusion
6 in unemployment insurance, which we've talked
7 a lot about today.

8 Unemployment insurance is more than a
9 benefit, it is an essential labor right.
10 When losing your job means losing everything,
11 workers are less likely to speak up in
12 dangerous conditions. This is something I
13 see and our members see every single day.
14 This was the case for Juan Chonillo, an
15 NYCC {ph} member who lost their life on a
16 Manhattan construction site and we honored
17 earlier this year. Safety nets are a matter
18 of life and death.

19 The UBP, or the Unemployment Bridge
20 Program, is a solution for over 750,000
21 New Yorkers ineligible for traditional UI.
22 Freelancers, undocumented workers, people on
23 reentry and those in the cash economy would
24 be covered for up to \$1200 a month for up to

1 six months. We're talking about \$1200. This
2 is not a luxury, this is basic needs support.

3 So let's talk quick numbers, because
4 I've got a minute. Research shows that for
5 every dollar provided in unemployment
6 compensation, recipients generate \$1.93 right
7 back into the economy. Undocumented
8 immigrants paid 1.4 billion over the last
9 decade directly into UI. So they subsidize
10 this benefit for other workers, but they're
11 excluded themselves.

12 Freelancers are a growing part of our
13 economy. It's an exploding sector in our
14 workforce. And nearly 60 percent of them say
15 that they will likely do this work in the
16 future. These are in your districts, meaning
17 these workers lack protection without the
18 UBP.

19 Incarcerated workers make the very
20 furniture we sit on, to license plates, to
21 hand sanitizer in New York for pennies an
22 hour, but when released are denied UI. With
23 the UBP we can improve public safety, greatly
24 reduce recidivism, and save the costs of

1 incarceration in New York State. Quick
2 number there: Recidivism can cost \$50,000
3 per year per person for someone in reentry,
4 while UBP would cost a maximum of 7200 per
5 person.

6 So there's a strong economic argument
7 here of a spending boost. We can expect
8 250 million back to New York City alone,
9 43 million back to Long Island, the Hudson
10 Valley and other regions across New York
11 State.

12 Five hundred million is what it would
13 cost. That includes 15 percent for the
14 Department of Labor. And it would be funded
15 through the digital ad tax, which generates
16 over a billion for New York State alone.

17 And in my last 16 seconds I'll just
18 say that if the Legislature was able to
19 justify 455 million for beautification
20 projects like the Belmont State Track, the
21 Legislature can also justify the same amount
22 of resources to cover all workers that make
23 those projects run, including the labor of
24 excluded workers. So we're counting on you

1 to bring this program home and to remedy the
2 exclusions in our social safety net.

3 Thank you.

4 CHAIRWOMAN KRUEGER: Thank you.

5 Next up?

6 MR. SANCHEZ: Hi, good evening.

7 My name is Lucas Sanchez. I'm the
8 co-executive director of New York Communities
9 for Change. We're a community-based
10 organization representing around
11 20,000 members in New York City and on
12 Long Island.

13 I'm also here as a member of the Fund
14 Excluded Workers Coalition, the Raise Up
15 New York Coalition, and the EmPIRE Act
16 Coalition.

17 On a personal level, I'm also here on
18 behalf of immigrants like me and my family.
19 I came here in the late eighties as an
20 undocumented immigrant. My family, my aunts,
21 my uncles, family friends, everyone I grew up
22 with, were undocumented immigrants from
23 Colombia. And the legislation I'm going to
24 talk about is legislation that would have

1 impacted family members like me and millions
2 of other folks that have arrived in similar
3 ways.

4 Again, thank you so much for the
5 opportunity to testify. I want to talk about
6 three important pieces of legislation: The
7 Unemployment Bridge program, sponsored by
8 Senator Ramos and Assemblymember Reyes;
9 Senator Ramos and Assemblymember Joyner's
10 bill to raise the minimum wage; and
11 Senator Hoylman-Sigal and Assemblymember
12 Joyner's bill, the EmPIRE Act, Empowering
13 People in Rights Enforcement.

14 So the UBP, the Unemployment Bridge
15 Program, would provide unemployment insurance
16 to 750,000 workers excluded from traditional
17 insurance, with 30,000 people expected to get
18 benefits at any given time, and would work
19 similarly to traditional unemployment.

20 The UBP is a lifeline for the
21 self-employed. It is also about carceral
22 justice and a public safety issue. Twenty
23 thousand workers reentering the labor force
24 after prison or detention would be covered

1 during their first year post-release.

2 If we want to tackle public safety, if
3 we want to tackle the root causes of public
4 safety, this is something that will help us
5 with that. It's also an immigrant justice
6 issue. Immigrant workers pay over
7 100 million a year into the unemployment
8 insurance system in New York, but cannot
9 access a cent.

10 Again, this is a racial and economic
11 justice issue. Black and brown workers are
12 disproportionately impacted by
13 unemployment -- with, for example, Black
14 unemployment rates typically running nearly
15 twice as high as the rate for white workers.

16 For the second piece of legislation we
17 support, we must raise the minimum wage in
18 New York. I think it's clear to everyone
19 that \$15 an hour is not sufficient to make
20 ends meet anywhere across the state, and it
21 is just impossible to survive. And we must
22 raise the minimum wage.

23 As for the EmPIRE Act, this will
24 really expand the state's enforcement

1 capacity and deter wage theft by creating a
2 mechanism that will allow workers in labor
3 organizations to step into the shoes of the
4 state and file claims for violation of the
5 law.

6 We are counting on you, our elected
7 officials, to bring this legislation home and
8 to really help all workers across New York
9 State. Thank you.

10 CHAIRWOMAN KRUEGER: Thank you.

11 Excuse me. Hi. And you were, again?
12 You were for the -- I know this --

13 MR. FLINT: It has to be too long,
14 doesn't it?

15 CHAIRWOMAN KRUEGER: -- Climate
16 Education and Clean Energy careers.

17 I'm sorry, Adam, yes.

18 MR. FLINT: Well, I just want to thank
19 you, Senator Krueger, and Chairs Ramos and
20 Joyner and the remainder of you who have just
21 amazing stamina. I don't think I could pull
22 that off.

23 So I'm Adam Flint, and I wear a number
24 of hats. But I'm here today representing a

1 working group with a very long name, climate
2 education and clean energy careers. I've
3 been in this space since the first year of
4 Green Jobs, Green New York. And I've also
5 co-led a consortium that designed NYSERDA's
6 new \$53 million Regional Clean Energy Hub
7 program. And a lot of this draws on that
8 experience.

9 The proposals in my testimony, my
10 written testimony, most of them are in the
11 New York Renews "Climate and Community
12 Protection Plan," which I don't know that has
13 been formally introduced yet, but it will be
14 hopefully soon. The working group that I
15 represent included or includes a number of
16 organizations from across the state:
17 Educators, workforce professionals, labor,
18 community-based organizations -- including
19 ALIGN, our neighbors to the left -- NYATEP,
20 New York Renews, UUP and so forth.

21 We convened because we saw a critical
22 gap in state policy and programs that we
23 really need to fill in order to build the
24 21st-century workforce in an equitable way

1 that is required to meet our ambitious CLCPA
2 goals. To put it bluntly, not only does the
3 state lack a plan with resources to meet this
4 challenge, but it also lacks any official
5 space in which to create such a plan.

6 And so our first proposal is to fund a
7 working group, interagency plus stakeholders
8 working group, to do the job that
9 unfortunately was not done at any point in
10 the CLCPA.

11 In terms of the Governor's budget and
12 NYSERDA, funds are too few and, perhaps more
13 importantly, are not appropriately designed
14 for the needs of this sector. They tend to
15 favor larger, already successful groups with
16 a lot of resources. Groups that don't meet
17 those conditions often just won't qualify or
18 can't practically use the money.

19 The Governor's own Strategic Workforce
20 Development Office fund, if I'm reading
21 things right, was zeroed out for this year,
22 even though there's funding for future
23 outyears. That fund would need to be
24 reconfigured as well.

1 We don't anticipate federal funding
2 from any source to do anything differently.
3 I spoke to the seniormost official in this
4 area in DOE, and if you're not doing formal
5 apprenticeships, there's not going to be a
6 lot of money.

7 The CLCPA -- sorry. We need this
8 funded group of folks to do the work of
9 putting together a proposal, and we need for
10 the various agencies involved to have a more
11 nuanced and comprehensive plan to cover the
12 entire State of New York and all of its
13 citizens.

14 Thank you.

15 CHAIRWOMAN KRUEGER: Thank you.

16 I think our first questioner is
17 Senator Ramos.

18 SENATOR RAMOS: Thank you,
19 Chair Krueger.

20 Hi, everybody. Good to see you.
21 We've had a great day.

22 Tal, thanks for testifying today. I'm
23 wondering if you can expand a little bit
24 about how this helps -- how raising the

1 minimum wage helps in terms of public safety.
2 And maybe a few seconds on more of the
3 business support that we've been seeing.

4 TAL FRIEDEN: Sure.

5 So first of all, all of the research
6 shows that raising the minimum wage is good
7 for small business. There are countless
8 studies -- Paul mentioned this. We can send
9 multiple studies to your offices regarding
10 the impact on small business.

11 Our coalition is over 200 businesses
12 and growing. They include farms,
13 construction, real estate firms, restaurants,
14 manufacturers, some of the lobbying firms
15 here in Albany. It's really across the
16 gamut, in districts across the state from
17 Brooklyn to Montauk. And I can, you know,
18 quote some of them on their support.

19 I can also say that James Parrott, who
20 was here earlier, authored a really important
21 report that showed that raising the minimum
22 wage and ensuring living wages does wonders
23 to ensure thriving communities. Thriving
24 communities are communities where folks are

1 not driven to crimes of poverty or other
2 types of criminalization that we see in our
3 communities.

4 So there's research showing that when
5 you pay people, it's good for the community.
6 It's not hard to understand fundamentally.
7 But there's also research to show that as
8 well.

9 SENATOR RAMOS: Thank you, Tal.

10 Angeles, for the Unemployment Bridge
11 Program that we've introduced this year, can
12 you talk a little bit about how it would work
13 in light of the UI deficit that we've been
14 talking about here?

15 MS. SOLIS: Yup.

16 So there's a couple of ways to answer
17 that question. First, the UBP is needed
18 because tens of thousands of workers are
19 excluded from the UI due to federal rules.

20 Second, we should not sacrifice
21 safety-net programs as we work to overhaul
22 all of the issues that we need to fix with
23 UI.

24 It is also funded through a different

1 revenue source, so it doesn't actually
2 interact with the UI trust fund. And just on
3 the UI trust fund, I believe that
4 James Parrott really is the expert here and
5 can speak to more.

6 But the problem with the UI system is
7 not fraud or employers being overtaxed. It's
8 the chronic insolvency because of the
9 irresponsible tax rates and not being able to
10 keep up over decades.

11 SENATOR RAMOS: Thank you, Angeles.
12 I'm sorry to cut you off.

13 Lucas, my Colombian parcerero, can you
14 talk a little bit about how the UI benefits
15 for reentry people work?

16 MR. SANCHEZ: Sure. Thank you,
17 Senator, for that question.

18 So although many, many people work
19 while they are incarcerated or while they are
20 in immigration detention, this labor is not
21 recognized as employment and, you know,
22 cannot be used to establish the necessary
23 earnings history required for traditional
24 unemployment insurance.

1 So this program will really provide
2 benefits to New Yorkers who haven't had
3 access to that. And again, you know, the
4 data is clear that recidivism is very much
5 tied to a person's inability to find
6 employment, to have an income, and to have
7 stable housing.

8 SENATOR RAMOS: Thank you, Lucas.
9 Adam, I ran out of time, I'm sorry.
10 Love your work, though.

11 CHAIRWOMAN KRUEGER: Assembly.

12 ASSEMBLYWOMAN JOYNER: Member
13 Zinerman.

14 ASSEMBLYWOMAN ZINERMAN: Good evening.
15 thank you all for your really good --

16 {Inaudible interruption.}

17 ASSEMBLYWOMAN ZINERMAN: As you know,
18 and we're going to make this happen.

19 My question is for you. New Yorkers
20 did a great thing, we passed MRTA and we
21 passed the Environmental Bond Act. And so
22 there's all of these great jobs that you just
23 talked about that are available where we
24 don't have a mechanism for how are we going

1 to get those who actually need these jobs --
2 that could help with our unemployment rate
3 and other ways -- into these jobs.

4 So do you have a figure? Because I
5 don't have your testimony in front of me.
6 How much would the working group cost? And
7 then if you could --

8 MR. FLINT: We have a
9 back-of-the-envelope figure, I'll be honest,
10 of about 3 million.

11 ASSEMBLYWOMAN ZINERMAN: Three million
12 dollars.

13 MR. FLINT: Yeah.

14 ASSEMBLYWOMAN ZINERMAN: And so you're
15 asking for that to be a part of the one-house
16 this year in order for the working group to
17 get started.

18 (Overtalk.)

19 MR. FLINT: Yeah, and part of that is
20 we want to --

21 ASSEMBLYWOMAN ZINERMAN: Is this going
22 to be a multiyear group? Or is it --

23 MR. FLINT: Oh, yeah.

24 ASSEMBLYWOMAN ZINERMAN: Okay, mm-hmm.

1 MR. FLINT: We want to make sure that
2 lack of compensation doesn't limit who can be
3 on this committee.

4 ASSEMBLYWOMAN ZINERMAN: Okay, so --

5 MR. FLINT: Which is something NYSERDA
6 is already actually doing. No more
7 volunteerism for people who can't afford it.

8 ASSEMBLYWOMAN ZINERMAN: Thank you.

9 Oh, I have 1:47. So let's talk about
10 you -- you get the working group together.
11 So just kind of walk us through some
12 additional steps. I mean, you -- are you --
13 and I think this is the first time we have
14 one bill that's being proposed where they've
15 actually named the members of the community
16 that -- community groups that are already
17 there working. Do you have a list of groups
18 that you want to be a part of this working
19 group, this interagency working group?

20 MR. FLINT: Yeah. It's not a -- it's
21 not a complete list. And we would want to
22 establish some criteria. We look a lot at
23 the same kinds of procedures that have been
24 used recently in connection with

1 CLCPA-related work with NYSERDA in terms of
2 criteria.

3 I think part of the reason why we're
4 really focusing on this is that we could
5 propose, all right, we need this amount of
6 money for this particular program. But we
7 know that in order to do anything
8 comprehensive, we really need to have
9 everybody at the table. And unfortunately,
10 because of the way the CLCPA was written,
11 which in turn was because of who was and
12 wasn't at that table at the time, we need to
13 do that.

14 So, you know, we can say, for example,
15 the state badly needs to be able to spend
16 money to market and educate that this is in
17 fact a growing and established set of careers
18 that are fantastic careers, very well kept
19 secret in most places. Most of the money
20 does not touch K-12 because it doesn't lead
21 to very-near-term employment. We need to do
22 something about that.

23 So there's a whole list of things
24 we've developed that's in the testimony, but

1 this for us is just the teaser. We really
2 need to do this comprehensively.

3 ASSEMBLYWOMAN ZINERMAN: I note you're
4 asking for a carve-out so that the big boys
5 don't suck up all the air and all the money
6 before the working group comes back with its
7 recommendations. And in three seconds?

8 MR. FLINT: Yes.

9 (Laughter.)

10 MR. FLINT: I can only say yes or no.

11 CHAIRWOMAN KRUEGER: All right.

12 Robert Jackson.

13 SENATOR JACKSON: So, beautiful
14 people, let me thank you for hanging in there
15 and putting forward the advocacy that you do
16 on behalf of the organizations that you
17 represent.

18 And I'm one of those individuals that
19 I'm sure that I'm on those bills. And if
20 not, I will be on them ASAP.

21 And just keep pushing in the right
22 direction in what you're doing in order to
23 make us do the right thing on behalf of all
24 of the people that we represent.

1 With that I say to all of you,
2 as-salamu alaykum. Peace be upon all of you.

3 CHAIRWOMAN KRUEGER: Okay, Assembly.

4 ASSEMBLYWOMAN JOYNER: Member Lucas.

5 ASSEMBLYWOMAN LUCAS: Thank you,
6 Madam Chair.

7 Okay, this is for New York Communities
8 for Change. In your testimony you mentioned
9 Senator Ramos's and Assemblymember Reyes's
10 bill on the Unemployment Bridge Program,
11 which will provide unemployment insurance
12 coverage to 750,000 workers excluded from
13 traditional insurance.

14 You mentioned to include a digital ad
15 tax from companies with gross revenues of
16 100 million. What percentage of that tax
17 would be levied to those companies to
18 generate the revenue? Do you have any data
19 that supports this ask? And is it adjusted
20 for inflation?

21 MR. SANCHEZ: Sure. So just to
22 stress, so the Unemployment Bridge Program
23 will be revenue-neutral, and the digital tax
24 is expected to raise a billion dollars for

1 New York State.

2 ASSEMBLYWOMAN LUCAS: I'm sorry, can
3 you speak into the -- thank you.

4 MR. SANCHEZ: Sure. Sorry.

5 So just to start again, so I want to
6 stress that the Unemployment Bridge Program
7 is absolutely revenue-neutral, and the
8 digital tax is expected to raise a billion
9 dollars for New York State.

10 To be clear, the tax will collect a
11 small portion of the annual revenues of
12 digital advertising services from companies
13 whose gross and annual revenues from these
14 services is 100 million or more.

15 So in terms of the other specific
16 questions and the numbers, that is something
17 that I can definitely get to you.

18 ASSEMBLYWOMAN LUCAS: Appreciate that.

19 And is it adjusted for inflation, and
20 do you have data that supports it?

21 MS. SOLIS: On the inflation one,
22 let's get back to you on that one.

23 ASSEMBLYWOMAN LUCAS: Okay.

24 MS. SOLIS: But there is data.

1 So there's several states that have
2 made a move to pass this ad tax. And folks
3 might be wondering what that is. It's
4 essentially the advertising that is already
5 existing out there, bringing in millions if
6 not billions of dollars of revenue for major
7 tech corporations like Amazon, eBay, Google,
8 that they aren't getting taxed on. Right?
9 That's missing revenue for our state.

10 So -- (indicating timer) the little
11 peep. So in Maryland in particular, I do
12 want to add, they've passed the
13 first-in-the-nation digital ad tax. U.S.
14 Chamber of Commerce, Comcast, Verizon and
15 industry groups backed by big tech players
16 like Google and Amazon brought forward two
17 separate lawsuits. Now those lawsuits and
18 those counts have been dismissed in the
19 federal challenge. This is, again, new tax
20 law that we want to bring across the table.

21 (Unintelligible overtalk.)

22 MS. SOLIS: But in terms of data, it
23 will stand on its feet.

24 ASSEMBLYWOMAN LUCAS: So I got it, you

1 got support.

2 MS. SOLIS: Sorry. Yeah, gotcha.

3 ASSEMBLYWOMAN LUCAS: This tax
4 proposal is actually -- has some similarities
5 to the payroll tax that the MTA is seeking to
6 get out of its financial bind. Are you
7 concerned -- or what would you say to those
8 who would view this as a double taxation on
9 companies at a time when businesses are
10 reducing their workforce by either laying off
11 employees or imposing hiring freezes?

12 And could you possibly guarantee that
13 the revenue projections will actually happen
14 on this proposed tax?

15 MS. SOLIS: Those are good questions.
16 Again --

17 CHAIRWOMAN KRUEGER: {Mic off.} You
18 don't have any time to answer.

19 MS. SOLIS: Oh, okay.

20 CHAIRWOMAN KRUEGER: {Mic off.} You
21 can write up your answer --

22 MS. SOLIS: I'll follow up.

23 ASSEMBLYWOMAN LUCAS: I appreciate it.
24 Thank you.

1 CHAIRWOMAN KRUEGER: -- and send them
2 to us and we'll get them to everyone. Or you
3 can have an offline conversation with the
4 Assemblymember in just a few minutes, because
5 you're the last panel I'm going to be
6 thanking -- {mic on}. Excuse me.

7 You'll be the last panel I'll be
8 thanking during this year's budget hearings,
9 because you have the honor and privilege of
10 being the last panel of the last budget
11 hearing for '23-'24.

12 And I sincerely want to thank all the
13 legislators who participated during all of
14 these hearings for three weeks. I want to
15 thank all of the staff who worked so hard to
16 get us here and through these events. And
17 that's both houses, both parties, not just
18 legislative staff, but the staff who makes
19 sure that we can stay here till sometimes
20 late at night. And didn't even get that much
21 pizza this year, actually. Overtime, I have
22 no idea how their pay works, actually. But
23 that we can talk about at another time.

24 But Helene had to leave a little

1 early, but she wanted to make sure that I
2 reference how much we both appreciated
3 everyone's participation this year. We
4 barely had to use the gavel once.

5 So really, thank you all for being our
6 last panel tonight. Thank you, everybody
7 who's here and has been here. And I'm
8 officially closing down the '23-'24 New York
9 State constitutionally required budget
10 hearings.

11 Thank you.

12 (Applause.)

13 (Whereupon, at 7:54 p.m., the budget
14 hearing concluded.)

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