

New York State Legislative Joint Budget Hearing: Human Services
Testimony of the New York Association of Training and Employment Professionals
February 13, 2023

Good afternoon, Chairpersons Krueger, Weinstein, Persaud, and Davila. As well as the distinguished persons of the Senate and Assembly. Thank you for allowing us this opportunity to testify before you on this important topic.

My name is Melinda Mack. I am the Executive Director of NYATEP, the statewide workforce development association representing New York's education, job training, adult education, postsecondary and employment providers. NYATEP's members serve over 1.2 million New Yorkers annually in education and employment services, and support thousands of businesses in their regions as they train and employ talent.

For the last two years, our members who work directly with the working poor and those in poverty, have noted a major hurdle that keeps low-income New Yorkers from economic mobility. These organizations have indicated that often, despite wanting to pursue career advancement or on the job training, doing so risks an individual or family will go above the income eligibility threshold for public assistance programs. The gradual or sudden loss of public assistance programs, often worth more than the wage increase itself, can result in the family being financially worse off (a benefits cliff) or no better off (a benefits plateau) than before. In short, it does not make short-term financial sense to earn more money and lose crucial sustaining benefits. In New York these programs include Temporary Assistance for Needy Families, i.e., cash assistance, Supplemental Nutrition Assistance Program (SNAP) benefits, Supplemental Security Income, New York Child Care Subsidy Program, Section 8-Housing Choice Voucher Program, and/or Emergency Housing Voucher Choice Program.

Thankfully, both the Governor and NYS Senator Roxanne Persaud have recognized the need to include income disregard legislation this year (**S2144 and ELFA Article VII Bill Part X**). Both recommend establishing a 6-month, 100% income disregard for New Yorkers receiving public assistance, while participating in qualified work activities or training. NYATEP very strongly supports an income disregard and believes that it will increase the number of public assistance recipients who pursue employment, or subsidized education and training to get better paying jobs.

For our economy to remain competitive we need all the underutilized workers off the sidelines and into jobs. Over the last decade, our regional labor force participation has declined nearly a full percentage point. New York's downward trend started well before the COVID-19 pandemic, largely driven by lower birth rates, retirements, and outmigration. Unfortunately, this trend has been exacerbated by the abundance of low wage work and workers who lack the skills needed

for the available good paying jobs (37% of New Yorkers have a high school diploma or less). In our last four annual State of the Workforce Reports, we noted that the top 10 largest occupational groups, (which make up nearly 2 million jobs) are historically dominated by low wage work. **Of the occupations represented, 8 out of 10 require a high school diploma or less.** Even at the median pay only two occupations, which require a bachelor's degree, exceed New York's 2022-2023 Income Guidelines for poverty (\$55,500 for a family of four).

10 LARGEST OCCUPATIONS STATEWIDE AND EDUCATION FOR ENTRY

	# of Jobs	Entry Pay	Median Pay	Experienced Pay
Home Health and Personal Care Aides ^H	479K	\$29K	\$34K	\$37K
Retail Salespersons ^N	221K	\$28K	\$37K	\$37K
General and Operations Managers ^B	197K	\$48K	\$145K	\$206K
Registered Nurses ^B	183K	\$61K	\$93K	\$102K
Cashiers ^N	178K	\$26K	\$32K	\$34K
Fast Food and Counter Workers ^N	162K	\$28K	\$31K	\$31K
Janitors and Cleaners, Except Maids and Housekeeping Cleaners ^N	161K	\$29K	\$39K	\$47K
Secretaries and Administrative Assistants, Except Legal, Medical and Executive ^H	157K	\$30K	\$45K	\$49K
Customer Service Representatives ^H	141K	\$29K	\$45K	\$49K
Office Clerks, General ^H	134K	\$29K	\$42K	\$47K

Education for Entry		
^B Bachelor's degree	^H High school diploma or equivalent	^N No formal educational credential

2022-2023 Federal Income Guidelines identify New York's poverty level for a family of four at \$55,500

To combat these negative impacts, as well as aid employers in finding workers, last year, Governor Hochul launched the Office of Strategic Workforce Development at Empire State Development. In recent press release the Governor stated, "Our new Office of Strategic Workforce Development will help reduce barriers to training and employment while supporting businesses with their workforce needs. *This funding is just the beginning of our investment* in developing a strong and diverse workforce for decades to come." Since April of 2022 the Office has announced \$6 million in funding released to 8 projects of the estimated \$115 million set aside for grant funding. However, despite the rhetoric, this year's Executive budget includes **\$0 for the grant program** to fund scaling effective job training, coaching, supportive services (transportation, childcare, etc.) and employment activities. Workforce development is critical to the State's ability to realize its economic development investments. As other States ramp up funding – (i.e., annual appropriations in Georgia ~\$56 million; California ~\$300 million; Michigan ~\$40 million) New York's workers and businesses – will be left behind.

As you know, skills training is critical to ensuring that we have Plumbers, Mechanics, and Electricians, but it's also about growing industries like IT, Semiconductors, Clean Energy and Advanced Manufacturing that provide the type of good paying jobs we need more of. By ensuring providers who work with youth and adults are funded with flexible dollars, we will be able to advance significantly more New Yorkers who have been systematically excluded into high quality, high wage jobs. Our success as a State will be measured on how well we support these New Yorkers recover from the pandemic.

To that end:

- We urge the Governor and the Legislature to restore the \$115 million in grants that provide much needed flexible funding into the workforce system. Workforce development is economic development and without the workforce to fill the open current jobs and future jobs; our massive investments in economic growth will be for naught.
- We need to remove policy barriers that make it difficult for poor New Yorkers to access good jobs. NYATEP strongly supports the Governor and Legislature's recommendation to establish a 6-month, 100% income disregard for New Yorkers receiving public assistance, while participating in qualified work activities, training or subsidized employment.

If you have any additional questions, do not hesitate to contact me at mmack@nyatep.org.