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Testimony for the Joint Senate and Assembly Public Hearing
for the
Senate Standing Committee on Labor
Senate Standing Committee on Banks
Senate Standing Committee on Investigations and Government Operations
Assembly Standing Committee on Labor
Assembly Standing Committee on Banks
Assembly Standing Committee on Oversight, Analysis and Investigations

Good morning and thank you for inviting me today.

I'd like to especially thank the Chairs and distinguished members of each committee, for convening this hearing so I could speak directly with you about the unprecedented challenges the Department of Labor has been facing over the last five months and the emergency measures we have taken to get money into the hands of unemployed New Yorkers during this crucial time.

As you know, we are in the midst of a crisis no one saw coming. Every state has experienced an historic surge in unemployment claims and every state's systems have been pushed to the limit by this pandemic.

However, in New York we have moved **faster** and **more aggressively** than any other state in the Nation to get much needed benefits into the hands of unemployed New Yorkers.

To give you some context about this crisis:

Since the COVID-19 pandemic began in early March, the Department of Labor has almost \$40 billion in unemployment benefits to more than 3.3 million New Yorkers in just over four months –

In 2019, we paid just \$2.1 billion in total. In that context, we have paid **over 18 years' worth of benefits in just over five months — that's staggering and sobering**

Before this pandemic, the highest number of new unemployment claims in one week, nationally, was 695,000 in October 1982.

During the height of this crisis, we saw one week with 6.8 million new claims — that means this economic crisis is greater than anything the United States has seen since the Great Depression, and every state is struggling.

In fact, we have seen **twenty straight weeks** with over **1 million** national unemployment claims.

These numbers are simply unheard of.

The surge of applications crashed on New York like a wave — pushing our systems to the brink.

In a typical week before the crisis, our call center averaged about 50,000 calls ... but during a peak week in late March, our call center received over 8.2 million phone calls — that's an increase of 16,000%.

And our website, which typically received 350,000 hits during the course of a week, received over 6 million visits one week — an increase of 1,600%.

As this wave was crashing over New York, we immediately began to address these issues with real time technology updates, including:

Building and launching a new online unemployment application, which is backed by Google Cloud technology.

To free up our phone lines, we launched a call back initiative AND we increased the number of DOL representatives making outgoing calls, answering incoming calls, and processing applications from 400 to up to 7,000.

We were able to do that because of our incredible state workforce. Thousands of state workers came from other state agencies to join us in this massive effort, as well as members of your own legislative staffs, to help serve their fellow New Yorkers in a time of crisis.

We also expanded call center and online filing hours to seven days a week.

And, despite cumbersome federal guidelines, we updated our online application to provide a seamless experience for Pandemic Unemployment Assistance applicants on April 20th — weeks ahead of other major states.

We have launched new proactive communication initiatives, to keep New Yorkers informed throughout the process, so they knew what to expect next.

This included identifying the number one reason why unemployment applications go into “partial” status – which was an incorrect or missing Federal Employer Identification Number of F-E-I-N.

So we issued a directive to all New York-based businesses reminding them of their legal obligation to provide employees with this information.

We also took steps to proactively inform New Yorkers that they must submit a federally required certification each week to receive their benefits.

And we rolled out a new online system to help them quickly and efficiently submit previous weeks' certifications. Through the new automated system and DocuSign technology, they can now be done much faster.

In addition, we launched another tool which has directly contacted millions of New Yorkers via email and text messages as their application moves through each step of the process.

We have also implemented an automated chat bot on our website to answer New Yorkers' most frequently asked questions.

Lastly, we've introduced a **new triaged phone system** that better connects unemployed New Yorkers with the help they need:

We did everything within our power and authority to cut through the bureaucratic red tape and get New Yorkers their benefits as quickly as possible.

However, we are bound by specific federal laws and regulations to safeguard against fraud.

Thanks to the proactive efforts of agency investigators and the strong protections built into our application system, the New York State Department of Labor has identified over 42,200 fraudulent claims during the COVID-19 crisis – AND stopped fraudsters from stealing **over \$1 billion** in taxpayer money.

We knew very early on in this crisis that the workplace was going to be forever changed.

As people return to work there is an underlying fear of safety in the workplace as it relates to COVID-19.

To educate employers about their responsibility to keep their employees and their businesses safe we established our DOL COVID complaint portal.

If any New Yorker feels unsafe, or has another COVID related workplace concern they can file a complaint right on our website at labor-dot-ny-dot-gov-backslash-COVIDcomplaint. We've had over 30,000 complaints to the portal and the vast majority of complaints are resolved quickly and voluntarily.

Now that New York is moving FORWARD through the reopening process, we want to help connect every job seeker in New York with the right job opportunity. We are sending proactive recruitment emails, and encouraging both businesses in need of

workers, and New Yorkers in need of a job, to take advantage of our Jobs Express website at jobs-dot-ny-dot-gov. There are over 100-thousand job openings across the state from businesses looking to hire immediately.

Personally, these last five months have been heartbreaking on many levels.

However, we have worked harder and faster than any other state in the Nation, to get New Yorkers their benefits quicker.

We've dedicated every resource we have to helping New Yorkers weather this storm.

Many of you and your staffs were right there with us on the front lines assisting your constituents, and I sincerely thank you, because we could not have done this without your efforts.

I am extremely proud of my staff who has worked tirelessly throughout the Pandemic while also trying to navigate this crisis with their own families. For the last five months, they have worked extended hours, 7-days a week, sometimes 16 plus hour days, - missing holidays, birthdays and even funerals to assist their fellow New Yorkers.

And they continue to work overtime and will continue working until this crisis has passed.

In addition, I am also grateful for all of the State workers who stepped up to help when their fellow New Yorkers needed them the most.

All of us have worked endlessly, seven days a week, around the clock, to get the job done, and we will continue to do whatever is needed to help all New Yorkers get through this crisis.

Now, I am happy to take a few questions.