

New York State Legislative Joint Budget Hearing: Human Services
Testimony of the New York Association of Training and Employment Professionals
January 31, 2024

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.

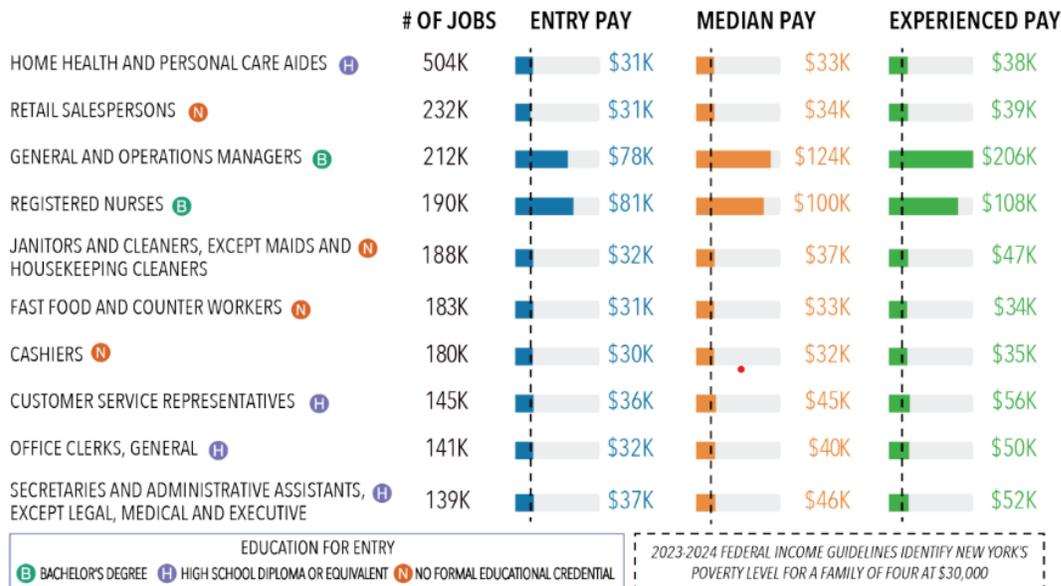
My name is Therese Daly. I am the Interim Executive Director of NYATEP, the statewide workforce development association representing New York's education, job training, adult education, postsecondary and employment providers. NYATEP's members serve over 1.2 million New Yorkers annually in education and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

For the last three 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.

We greatly appreciate your support and advocacy of the FY 2024 Enacted State Budget that included a one-time income disregard for individuals completing an approved employment program. However, we have some concerns with the language requiring individuals are only eligible whose income doesn't exceed the 200% federal poverty level (FPL). We believe this language limits the number of people participating due to the 200% FPL cap and believe it excludes individuals in New York City and Long Island. We are asking the legislature to include in their One House Budget Proposals Senator Persaud's bill **S8374 removing the federal poverty level requirement for recipients where it concerns the one-time disregard of earned income.**

For our economy to remain competitive we need all the underutilized workers off the sidelines and in 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. In our last five 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.**

10 LARGEST OCCUPATIONS STATEWIDE AND EDUCATION FOR ENTRY²⁰



To combat these negative impacts, as well as aid employers in finding workers, in 2022, 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 \$35 million in funding released to several projects of the \$150 million set aside for grant funding. However, despite the rhetoric, this funding is highly inflexible and 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 State's 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. **Without a state dedicated investment, the only workforce funding the state has is from the federal Workforce Innovation and Opportunity Act. Which has been on the chopping block as of late.**

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 by how well we support these New Yorkers recover from the pandemic.

To that end:

- We urge the Governor and the Legislature to spend down 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 recommends both the One House Budget Proposals include **S8374 that removes the federal poverty level requirement for recipients where it concerns the one-time disregard of earned income.**

If you have any additional questions, do not hesitate to contact Katie Hohman at kh@sheridanhohman.com