

January 24, 2024

Workforce Development and Labor Hearing Written Testimony In Support of the Unemployment Bridge Program

Dear Senate Finance Committee Chair Liz Krueger and Assembly Ways and Means Committee Chair Helene E. Weinstein,

My name is Mohamed Q. Amin, and I am the Executive Director of the Caribbean Equality Project and an organizer from Richmond Hill, Queens, New York.

Founded in 2015, in response to anti-LGBTQ hate crime violence in Richmond Hill, Queens, Caribbean Equality Project is an NYC-based community organization that empowers, advocates for, and represents Black and Brown, lesbian, gay, bisexual, transgender, gender non-conforming, and queer Caribbean immigrants in New York City. Through public education, community organizing, civic engagement, storytelling, and cultural and social programming, the organization focuses on advocacy for LGBTQ+ and immigrant rights, gender equity, racial justice, immigration, mental health services, and ending hate violence in the Caribbean diaspora. The organization's intersectional work fosters solidarity, community partnerships, and greater family acceptance in the greater New York metropolitan area.

I am also writing today on behalf of the Fund Excluded Workers coalition, of which our organization is a member. Thank you for the opportunity to testify for the 2024 Workforce Development Hearing.

I am testifying today in support of the **Unemployment Bridge Program (S3192 Senator Ramos / A4821 Assemblymember Reyes)** for the 2024-2025 New York State budget, which would provide unemployment coverage to 750,000 workers excluded from traditional insurance with 30,000 people expected to get benefits at any given time. This includes low-income New Yorkers - freelancers, self-employed workers, undocumented workers, people released from prison or immigrant detention, and those in the cash economy. The program cost is estimated to be \$500 million, of which \$75 million will go towards the Department of Labor for administrative purposes and labor.

Excluded workers will always face a crisis because they are systematically excluded from our unemployment insurance system and other social safety nets. This program must be included in this year's budget. Here's why: In 2020, Caribbean Equality Project (CEP) launched a COVID-19 Emergency Relief Fund for Black and Brown Queer and Trans Caribbean People to respond to the devastating effects of the COVID-19 outbreak in New York, and the self-quarantine orders imposed by state authorities. Undocumented workers and LGBTQ people continue to be

disproportionately impacted by COVID-19. Many of our community members who lost their employment are excluded workers but did not qualify for unemployment benefits based on their undocumented, refugee, or asylum status and are still experiencing economic instability. They work in restaurants, grocery stores, nightlife industries, construction, and other labor-intensive jobs impacted by the ongoing COVID-19 pandemic. Many have little to no family support and live in the NYC shelter system, in single-room occupancies (SROs), or in rented studio apartments. Our community is resilient, but many members live in fear of eviction while experiencing landlord harassment, food insecurity, healthcare insecurity, and the overwhelming stress of living within colliding pandemics.

As we emerge from the COVID-19 pandemic, which brought disaster upon many vulnerable communities, highlighting deep disparities that have always existed along the lines of race, immigration status, class, and geography, we know our legislator hold the power to protect impacted excluded workers. To date, in the face of economic collapse, health disparities, and the failure of institutions to answer to the needs of our community, we continue to fight to protect undocumented and documented members of our Afro and Indo-Caribbean LGBTQ+ community, many of whom primarily requesting food and housing assistance.

The issue is simple - our unemployment insurance system hasn't been updated in nearly a century and is badly in need of an overhaul. The system doesn't reflect today's economic realities, where freelance workers make up an ever-greater part of the workforce, and it disproportionately locks out the most vulnerable workers in our economy - Black and brown low-income workers in precarious industries.

States and cities around the country have recognized the need to overhaul the UI system, often inspired by the Excluded Workers Fund victory. Many passed temporary aid for excluded workers during the height of the pandemic, and Colorado recently became the first state to create a permanent program, making it possible for workers excluded from UI to get parallel benefits. By passing the UBP, New York can build on the Colorado model and accelerate the push for a federal UI overhaul.

The UBP is a lifeline for the self-employed. Freelancers are often denied or exempt from critical labor protections, but UBP would cover 180,000 thousand self-employed workers from the likes of street vendors to digital media artists, business consultants, farm owners, and more.

This is a public safety issue. 20,000 workers re-entering the labor force after prison or detention would be covered during their first year post-release. Providing recently incarcerated people access to UI is cost-effective. Recidivism can cost the state upwards of \$50,000 per person per incident; this fund would provide a maximum of \$7,200 per year in benefits (6 months times \$1,200) and would give everyone the security of knowing they could be covered if needed.

This is an immigrant justice issue. Immigrant workers pay over \$100 million a year into the Unemployment Insurance system in New York - but cannot access a cent. Undocumented workers pay \$1.1 billion <u>yearly</u> in New York state and local sales, property, and income taxes.

For those in the shadows of the cash economy - domestic workers, nannies, service and restaurant workers, and day laborers are often exploited in informal industries, and because they are paid in cash, there is no record of their wages to collect UI. Our program would provide critical support during joblessness for these workers.

This is a racial and economic justice issue. The Immigration Research Initiative has <u>found</u> that 73% of the New Yorkers who would benefit from the Unemployment Bridge Program are non-white, compared to 27% who are white. Black and brown workers are disproportionately impacted by unemployment, with, for example, Black unemployment rates typically running nearly twice as high as the rate for white.

Raises the overall working standards for all workers: Investing in the safety net isn't just good for the workers who are directly impacted, it's good for all workers. With a safety net to fall back on, workers are more likely to stand up against abusive employers. We can hold bad employers accountable, making workplace conditions safer and better for everyone.

Return on investment. Investing in excluded workers also reaps benefits for NY's economy. The Immigration Research Initiative estimates upwards of millions to be <u>re-invested</u> right back into New York.

Revenue-neutrality. Last but not least, we're aware of the concerns about the massive deficit in the Unemployment Insurance Trust Fund that pays for NYS unemployment insurance, and we've often heard from legislators that the deficit needs to be restored before any action can be taken on expanding future UI programs. However, UBP has its own revenue stream through the Digital Ad Tax (\$5551 Senator Gianaris / A5842 Walker) which is expected to raise up to \$750 million for NYS. This is a palatable tax that would collect a small portion of annual revenues of digital advertising services from companies with gross annual revenues of \$100 million from these services - leaving no burden on the state, small businesses, or individual taxpayers.

We urge the state legislature to invest in this critical social safety net program that prepares us for future crises, safeguards our communities, and sustains our economy. New York's excluded workers' ability to survive and put food on the table depends on it.

To learn more about the Caribbean Equality Project, please visit <u>CaribbeanEqualityProject.org</u> or phone us at 347.709.3179. If you have any questions, don't hesitate to contact me at <u>Mohamed@CaribbeanEqualityProject.org</u>.

Thank you for your time.

In Solidarity & Respect,

Mohamed Q. Amin

Founder & Executive Director Caribbean Equality Project