



**Testimony on the FY 2024
Executive Budget Proposal**

Workforce Development

Presented Before:
New York State Senate Finance Committee
Chair, Senator Liz Krueger

&

New York State Assembly Ways and Means Committee
Chair, Assemblywoman Helene Weinstein

March 1, 2023
Albany, NY

Chairs Krueger, Weinstein, Jackson, Pheffer-Amato, Ramos, and Joyner, and distinguished members, thank you for the opportunity to testify today on Governor Hochul's 2023-24 Executive Budget proposal.

CSEA proudly represents employees that work for the state, local governments, school districts, the private sector, and home-based childcare providers. These frontline employees allow New Yorkers to get to work and school every day. They keep our roads clear of snow, care for our children, ensure our loved ones in a hospital or nursing home get the care they need, and work every day to give clients with a developmental disability and mental illness the quality of life that they deserve.

CSEA members do not shy away from demanding work to deliver the services New Yorkers need. However, they are struggling. For a decade, the state workforce was strangled with a strict hiring freeze that made it impossible to bring new employees into state agencies. Local governments are facing difficulty in recruiting and retaining employees as well, directly impacting the ability of these governments to hire child protective services caseworkers, emergency dispatchers, and employees that maintain our local infrastructure.

The inability of the state and local governments to recruit new employees and retain existing staff has led to the lack of a work-life balance for remaining staff. These employees face extreme levels of mandatory overtime, resulting in burnout and the inability of New Yorkers to access services.

The loss to state and local governments over the past ten years has been staggering. Since 2012, New York State agencies have had a net loss of more than 13,000 employees, equating to a 10% reduction in full-time equivalents (FTEs). The most significant reductions came at the Department of Tax and Finance (-24.5%), Office for People with Developmental Disabilities (OPWDD) (-22%), and the Office of Mental Health (OMH) (-16.5%). Direct care job titles have been particularly difficult to retain. Nursing Assistants, Mental Health Therapy Aides, and Direct Support Assistant positions have seen average turnover rates of 26%, 23%, and 18% respectively, during this time.

Similar struggles exist for our municipal and local governments. Local governments are competing with private sector employers like Amazon and gig work for new employees. Since 2012, local government employers outside of the City of New York have lost more than 7% of their workforce. In the last year alone, local governments across the state lost more than 1,000 employees. Upstate city centers have been hit particularly hard by these losses, with the metro areas of Binghamton, Buffalo, and Utica seeing losses of 14%, 12%, and 11% of their municipal employees, respectively.

This is not sustainable.

The Governor's proposed FY2024 State Budget begins to put New York on the path towards rebuilding the public workforce. The budget contains no layoffs, facility closures or other reductions in State-operated services. State agencies are provided with the resources to hire the staff that they need, without the impediment of a hiring freeze.

We will give credit where it is due – since the lifting of the state’s hiring freeze by Governor Hochul, state agencies have been doing their best to hire. Agencies, specifically OPWDD and OMH, have been working diligently to hire new staff and retain existing ones. While they are facing headwinds in hiring, like most employers, they are doing their best to fill these roles.

While we are generally optimistic about this year’s proposed budget, the problems facing the workforce require us to do more. We must make changes to the state’s civil service system to make the system more navigable and available to New Yorkers who are unfamiliar with the system. We must diversify the workforce to make the public sector workforce more reflective of the state’s demographics. And we must ensure that the workforce is compensated in a way that makes it competitive with the private sector.

Civil Service

Continuous Recruitment

CSEA is supportive of the Governor’s proposal to allow the Department of Civil Service to use continuous recruitment for any open-competitive examinations.

A major obstacle that public employees and employers both face is that the civil service process can be slow and lengthy. Certain tests may only be offered every couple of years. In the interim, the lists that are developed from those exams become stale after exam applicants take other work after not being hired or otherwise contacted by a public employer. By allowing the Department of Civil Service to offer exams with much greater frequency, more New Yorkers can take the exams and be added to hiring lists. This will give employers the resources needed to hire staff to fill roles with many vacancies, including jobs in direct and health care.

Better Connect New Yorkers to Public Sector Employment Opportunities

The Civil Service system is complex and difficult to navigate for New Yorkers who do not know someone that currently works for the state or a local government. Finding out about the jobs is difficult, and then understanding the requirements to apply is just as confusing.

CSEA supports legislative language that would require the Department of Civil Service to better promote these examinations to high schools, colleges, Boards of Cooperative Educational Services, job training programs, and local social service districts. In addition, we propose that the department create pathways for community-based organizations to receive notifications of these job and exam opportunities to distribute it to their own network.

This simple policy of requiring better advertisements of these job opportunities will create more diversity in the public sector workforce and connect more New Yorkers to good middle-class jobs.

Waive Civil Service Exam Fees

CSEA is strongly supportive of breaking down barriers to enter the civil service system. CSEA supports waiving civil service exam fees to increase the number of applicants for these jobs.

Job seekers do not have to pay a fee to Target or Amazon in order to apply for a job. Why should they have to do so for a public sector job? These fees serve only as a barrier to entry to the public sector and do not do anything to recruit employees, especially those who are economically disadvantaged.

Count Provisional Time Towards Probationary Time Periods

Due to the low number of civil service tests that are offered, many employees are hired as provisional employees until a test is offered. Provisional employees have no discipline rights and are subject to termination at any time. While provisional employees are only legally allowed to be in the role for only nine months, many end up being in a provisional position for a much longer period. After taking a civil service exam, employees are placed in a competitive position, and after a probationary period are entitled to full disciplinary rights. However, under the current system, none of the time an employee spends as a provisional employee counts towards their probationary period. Employers are given the right to terminate an employee – during their probationary period and for the first year after being placed in the competitive class.

CSEA supports legislation that would count all time spent as a provisional employee towards any required probationary time upon the employee becoming a permanent, competitive class employee.

Fix Tier 6

The creation of Tier 6 is directly tied to the workforce crisis that we are currently facing.

In the past, people would enter the public sector knowing that they would make less money compared to their private sector counterparts but would receive high quality and affordable health insurance and a defined benefit pension that would ensure they have the financial resources for retirement. Tier 6 and the actions of the previous Governor turned this upside down. Under tier 6, pensions are no longer a selling point for entering the public sector workforce. Under tier 6, you must work longer and pay more for a smaller benefit at retirement. Employees no longer see this as a large enough benefit to enter the public sector workforce.

Reforming tier 6 is something that can impact hiring in the public sector immediately. Reforming issues like the sliding scale for contributions, the overtime cap, final average salary, and the pension value at 20 years would once again make public work appealing once again and give these new workers a secure retirement 30 years from now.

State Operated Direct Care Programs

CSEA is supportive of the Executive's proposals to increase state operated services in the Office of Mental Health. For years we have seen downsizing of state services in these two agencies,

leaving thousands of New Yorkers without access to the programs and services that they need.

Since 2014, one-quarter of all state operated inpatient mental health treatment beds have been eliminated. 25% of all adult beds, including 218 in New York City, have been closed, while nearly one-third of inpatient youth services have been eliminated. The results of these closures are clear – more people are going without the mental health treatment that they need.

This \$15 million investment will help those with a severe illness receive the care that they need. When someone has a life-threatening medical emergency, we do not send them to an outpatient clinic. Rather, they are sent to an emergency room to be stabilized and receive needed treatment. Treatment for those with a severe mental illness is no different. Inpatient programs help those with the most severe illness receive the stabilizing care that they require. OMH hospitals also facilitated the development of a care plan that will enable them to return to their community with needed support in place.

The goal of patients only receiving care in their community and eliminating inpatient services is not realistic. Factors such as the severity of a person's diagnosis and the familial and community support available to them play a large role in where a person can receive treatment. For those with the most severe illness, or those in crisis, an inpatient setting may be the most appropriate treatment option for them. This proposed investment will help ensure that there is sufficient

Protect Our Safety-Net Hospitals

CSEA is concerned with budget proposals that would cut funding for safety-net hospitals by \$700 million.

The State's safety-net hospitals, including SUNY Upstate, Downstate and Stony Brook, as well as our public benefit hospitals in Nassau, Westchester, and Erie Counties, serve a large percentage of patients who are uninsured or on a public insurance program. Even before the pandemic these hospitals were struggling to get by, and with the increased expenses of the Covid-19 pandemic, many are on the brink of closure.

The loss of \$700 million in state funding will lead to the loss of available care options for lower income New Yorkers. These cuts will hurt communities who are already underserved medically in their communities and make them travel further from their home for care.

CSEA supports the restoration of this funding in order to protect our safety-net hospitals ability to provide care to New Yorkers who are medically underserved in their communities.

Keeping Employees Safe

CSEA strongly supports Part H of the *Transportation and Economic Development* Article VII legislation to increase criminal penalties for assaulting transportation-related titles, including titles in the Department of Motor Vehicles (DMV) and Department of Transportation (DOT). All workers should have the right to go to work and be protected from violence. However, for many employees, they face daily threats of violence while simply doing their job.

Motor vehicle license examiners are employees of the DMV who conduct in-person examinations to determine driver's license eligibility are very susceptible to violence. Examiners conduct road tests alone in desolate parts of cities or rural areas, making them sitting ducks when it comes to an examinee who is unhappy with the outcome of a road test.

Violence against these workers is all too common. In a survey conducted by the state DMV and CSEA of license examiners, more than 50 percent of respondents said that they experienced instances of workplace violence. These violent acts included being kidnapped, slapped, punched, screamed at, and verbally threatened with physical violence. Increasing the penalties for assaulting these workers will help deter future assaults and help make sure that employees can go to work without fear of being assaulted or killed while doing their job.

Investing in the Child Care Workforce

CSEA represents 10,000 home-based childcare providers throughout the state. Our members are predominately women and people of color who provide affordable, quality, and licensed childcare to both private pay and subsidized families. These providers, and the entire childcare system, are in crisis. They face inadequate and unpredictable reimbursements, lack of uniformity across districts, and the inability to expand or increase their investments in their programs and staff.

The Executive budget proposal is a step in the right direction. However, we must use these proposals as a base to be built upon to give this sector the resources that it desperately needs.

CSEA supports the addition of Article VII language and necessary appropriations to: 1) Pay providers for the true cost of care, and not as a percentile of the market rate; 2) Shift the subsidized childcare system from pay for attendance to pay for enrollment; 3) Increase and standardize county plan options; and 4) Increase rate differential payments to 15% for providers who offer non-traditional hours of care (including weekends) and care to homeless families.

Without addressing these issues, we will continue to see licensed and high-quality childcare providers continue to close leaving parents unable to find affordable childcare programs.

Conclusion

The public sector workforce has reached a crisis level. Employees are overworked, burned out, and unable to hold on much longer before they look for other employment. This budget is your opportunity to make the investments that will help public employers recruit the next generation of employees and retain the existing workforce. New Yorkers, whether they know it or not, rely on these employees every day. Now is the time to invest in the people and programs that make New York function.