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New York State Department of Labor

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Joint Hearing of the Legislative Fiscal Committee

Chairs Krueger and Weinstein and distinguished members of each committee, thank you for this opportunity to talk about some of the proposals that Governor Cuomo has put forward in his Executive Budget as well as the work of the Department of Labor.

Introduction

My name is Roberta Reardon and I am the Commissioner of the New York State Department of Labor. I am proud to lead the Department in carrying out its mission of protecting workers, providing benefits to the unemployed and connecting job seekers to jobs.

This past year was a challenging one for all of us. However, the men and women of the DOL, while pushed to the brink, went above and beyond to help their fellow New Yorkers in their time of need, and they remain dedicated to the vital work we do to protect and assist all New Yorkers.

We could not have tackled this crisis without your help, the help of your staff members, and those from our State workforce who stepped up to assist. From the bottom of my heart, I thank all of you.

Governor Cuomo has also been steadfast in his leadership and in helping all of our agencies navigate this unprecedented Pandemic that no one saw coming.

Unemployment Insurance

Every state has experienced an historic surge in unemployment claims and every state's system have been pushed to the limit by this pandemic, but few states have seen the magnitude that New York has. **AND** in New York we've moved faster and more aggressively than any other state in the nation to get New Yorkers the money they so desperately need.

To give you some context about this crisis:

Since the COVID-19 pandemic began in early March, the Department of Labor has paid over **\$65 billion** in unemployment benefits to more than **4 million** New Yorkers in just over eleven months –

In 2019, we paid just \$2.1 billion in total. In that context, we have paid **over 30 years' worth of benefits in just over eleven months — [Pause]**

These numbers are simply unheard of — in fact, before this pandemic, the highest number of new unemployment claims in one week, nationally, was 695,000 in October 1982.

As taxing as this Pandemic has been on our systems and our DOL family, we embraced those challenges head on, and used the opportunity to thoroughly reevaluate best practices to better serve New Yorkers.

Our UI modernization project was already underway, and because of that we were in a better place than most States when this crisis hit.

And because of the tsunami of claims this crisis caused, we have

refocused our efforts and implemented improved technology and better procedures ahead of schedule.

Including:

- **Building and launching a new online unemployment application** backed by Google Cloud technology;
- **Providing a seamless application experience for Pandemic Unemployment Assistance applicants** weeks ahead of other major states;
- **Launching a streamlined DocuSign process** for submitting backdated certifications - allowing New Yorkers to get paid easier and faster; AND
- **Expanding the number of DOL representatives** making outgoing calls, answering incoming calls, and processing applications from 400 up to 3,100 depending on the day.

We also learned how to better communicate with our customers in real time and in ways they can understand, across multiple platforms. Such as:

- **Introducing an updated and streamlined automated phone system** that better connects unemployed New Yorkers with the help they need by prioritizing calls, and connecting them with the agent who can best assist them with their particular issue.
- **Improving our online and social media presence** to get relevant information out to claimants as quickly as possible.
- **Implementing an automated chat bot** on our website, which can answer many of New Yorkers' frequently asked questions in multiple languages, AND

- **Rolling out a system to directly text and email applicants** the status of their claim as it moves through the approval process. This system has sent over 58 million emails and texts with status updates.

And there are more improvements coming.

Fraud

I would be remiss if I did not mention the incredible work of DOL's Office of Special Investigations (OSI). During this crisis it has prevented over \$5.5 billion from falling into the hands of fraudsters by identifying more than 425,000 fraudulent Unemployment Insurance claims.

Our OSI team is using modern technology such as artificial intelligence and sophisticated techniques to identify fraud as quickly as possible. We also work closely with our law enforcement partners at all levels from the FBI to local officials.

Getting New Yorkers Back to Work

While much of our work and our staff has been devoted to Unemployment Insurance for the last several months, our work as a multi-faceted agency never stopped, and now we are pivoting staff and resources back to other parts of the agency.

One of our most critical priorities is providing resourceful and innovative ways to help New Yorkers get back to work, and finding creative solutions to help businesses thrive in a new world of work.

Within the last couple of weeks, the DOL took emergency measures to implement a Partial Unemployment Insurance

program which bases New Yorkers' partial unemployment benefits on the hours they actually work, rather than the number of days they work in a given week. Under this new system, unemployed New Yorkers who accept part-time work will not be penalized, and it will also help businesses fill part-time positions.

We have launched a new platform of virtual services. This includes virtual Career Fairs and a contract with Coursera to provide a **free** online training platform that offers nearly 4,000 programs and learning opportunities for the unemployed.

We remain committed to connecting New Yorkers with the jobs they love – and jobs that are available **NOW!** The DOL has more than 120,000 jobs posted from all regions in the state, and across all industries, on our **Jobs Express** website at **labor.ny.gov/jobs**.

We are sending proactive recruitment emails as well as encouraging both businesses and unemployed New Yorkers to utilize our Jobs Express website.

And there are resources for New York job seekers on our **Career Services** resource page including resume writing tools, interview tips, job postings, and specialized services.

And we are also working to ensure that New Yorkers are trained and ready for to meet the needs of the new green jobs created by our emerging clean energy sector.

Paid Sick Leave

In addition to helping New Yorkers get back to work, we have been hard at work on other important DOL initiatives. Thanks to Governor Cuomo's proactive agenda to empower workers and

protect the health of New Yorkers, they can begin using sick leave benefits under the state's nation-leading paid sick leave law.

Prior to the law's passage, approximately 1.3 million New Yorkers did not have access to paid sick leave – forcing them to either take unpaid leave and risk losing their jobs or show up to work while sick.

Climate Action

As a member of the New York State Climate Action Council we are working aggressively on a comprehensive plan to achieve the State's bold clean energy and climate agenda.

I applaud Governor Cuomo for the progressive Green Energy Economy he outlined in this year's State of the State which will complement our efforts.

I am proud to be Co-chair of the Just Transition Working Group as we look to build a better future and a greener footprint for New York, AND ensure that our New York workforce is trained, equipped, and ready to meet the needs of an emerging clean energy sector. The jobs created through this green infrastructure will create quality careers for all New Yorkers.

Farm Wage Board

The Department of Labor is committed to protecting workers and leveling the playing field for all businesses including our farm laborers and employers in the agricultural community.

Under the Farm Laborers Fair Labor Practices Act I convened a Farm Laborers Wage Board.

The board held five public hearings to hear testimony on overtime work. Due to the COVID-19 pandemic and the current economic climate, the board recommended a pause on any actions with a call to reconvene the Wage Board by the end of 2021.

Conclusion

2020 pushed many State agencies to their limits, including the Department of Labor. However, we rallied together to weather this enormous storm, got the job done ahead of most states, and frankly, overall, it made us better as an agency.

We recognize that there is more to come, and we are prepared to meet those challenges. We have learned many valuable lessons that have strengthened us as an agency. We've improved our communication and our technology. We have a renewed focus and vigor and we have more initiatives to come. Our mission has always been to do whatever it takes to help New Yorkers.

Throughout this pandemic we have gone above and beyond to deliver on that promise, and we will continue to do just that.