



MASON TENDERS' DISTRICT COUNCIL OF GREATER NEW YORK POLITICAL ACTION COMMITTEE

**Testimony of Kris Kohler
Mason Tenders District Council Political Action Committee
Re: FY24 Budget Labor Hearing
Topic: Housing Compact
March 1, 2023**

AFFILIATES

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DISTRICT COUNCIL OF
GREATER NEW YORK
& LONG ISLAND**

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LABORERS LOCAL 66**

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Hello, my name is Kris Kohler, Assistant Director of the Mason Tenders District Council PAC. I am submitting testimony on behalf of the 17,000-member Mason Tenders District Council of Greater New York (MTDC) which encompasses Laborers Locals 66, 78, 79 and 108. Laborers build New York from the ground up and are involved in all facets of the construction industry. My testimony today will iterate and supplement testimony submitted to the Housing Committee.

Governor Hochul has put forth a bold Housing Compact proposal with the goal of creating 800,000 new homes by 2030. The Governor's proposal is a massive statewide undertaking that will expedite construction and approval processes, increase density, convert thousands of unused offices into housing in New York City and require 1% growth of housing stock every 3 years upstate. As ambitious as the plan is, The New York Housing Compact is too compact, as it includes no enforceable wage, labor, or responsible contractor standards.

The Governor knows firsthand the security, stability and prosperity of growing up in a union household. She often refers to having "steel in her veins" from her family's ties to the booming Buffalo steel industry. Current and future generations of local workers should have access to the same security and economic mobility. With livable wage requirements and the use of State certified apprenticeship programs, the construction of these 800,000 homes can move thousands of New Yorkers into the middle class through careers in the unionized building trades. Without adding labor standards like prevailing wages, benefits, responsible contractor language and project labor agreements the jobs created are likely to be short-term, minimum wage jobs with no healthcare, retirement security or career path.

Given the paucity, emphasis will be given to the creation of affordable units. Workers on affordable housing projects are among the most exploited and underpaid in the construction industry. There is no justification for this. Affordable housing projects are also among the most dangerous construction jobs, with lack of skills training and safety protocols claiming the lives of too many workers who only wanted to work hard to care for their families. Without labor standards, the Housing Compact will fall far short of providing the safe, skilled workforce that an undertaking of this scope requires. It will also sell short the communities around the housing construction sites, which benefit from fairly-compensated workers spending wages locally, money that is reinvested and spurs broader economic growth.

An underpaid housing construction workforce, with no access to skills and safety training, health insurance or retirement security, will cost the State more money in the long run than requiring prevailing wages with benefits. Uninsured visits to emergency rooms, public benefits assistance, nonpayment of unemployment insurance and workers compensation insurance add up and cost taxpayers millions. Rather than throw money

at the problems after they've occurred, demanding labor standards with wage and benefit requirements would provide prosperity and economic mobility for workers throughout the state. Quality housing built by highly skilled local workers earning family sustaining wages with benefits is a win for all New York. Hiring low road, out of state contractors using an underpaid, exploited and often transient workforce may get the job done but at what cost to local workers and local economies, many still struggling to come back from the upheaval of the pandemic.

This is not the first time our state has attempted to address the housing crisis. Year after year, decade after decade, lofty proposals fail to rise to the challenge. The housing shortage continues to grow and the affordability crisis goes from bad to worse to seemingly insurmountable. To riff on a quote from former NYC Mayoral candidate Jimmy McMillan, it's not just that the rent is too damned high, but wages are too damned low. In order to build our way out, it is time to address the wages and working conditions of the women and men who will do the building. It is not a question of the will to get it done. Rather it is a question of how and by whom the units are built.

Without the addition of wage and labor standards, these jobs will be akin to what we already see in the affordable housing industry and lead to further exploitation of vulnerable New Yorkers like formerly incarcerated and immigrant workers that can't speak out or advocate for themselves on the job. Workers who can't afford to make ends meet for their families, continuing cycles of poverty and recidivism.

It's also vital to have these standards in place as the state authorizes New York City to implement local hire standards through the community hiring policy. Targeted local hire policies will give access to New Yorkers from communities previously disengaged from or disenfranchised by unionized construction opportunities.

The New York Housing Compact should create the highest quality jobs. The construction and preservation of this housing will create thousands of employment opportunities and without defined prevailing wage, labor, and responsible contracting standards it will be built at the expense of local workers - but it doesn't have to be. Together, we have the power to make the Housing Compact a visionary plan that will build the affordable housing needed and put people to work in good union jobs at the same time. By adding prevailing wage, responsible contractor, project labor agreements and other standards, we can ensure the jobs created aren't short-term, minimum wage jobs but rather good, union careers with family sustaining wages, healthcare, and retirement security.

The Housing Compact is a groundbreaking plan that if properly crafted can uplift New Yorkers with both affordable housing and construction careers. It can grow communities and economic prosperity. On behalf of the hardworking members of the Mason Tenders District Council, we urge you to support the New York City community hiring plan and add robust, enforceable labor standards to the Housing Compact policy. Thank you for the opportunity to submit testimony today.