



Good afternoon, my name is Lucas Sanchez, Co-Executive Director of New York Communities for Change, a community based organization representing 20,000 low to moderate income Black and brown New Yorkers across New York City and Long Island.

We organize around the issues that our members care about the most from unaffordable rents, low wages and lack of safety net for excluded many workers, rising prices of goods, injustice in our criminal justice system, and the climate crisis threatening our planet. I am also here today as a member of the Fund Excluded Workers coalition, Raise Up New York Coalition, and Empire Act Coalition. Thank you for the opportunity to testify at today's Workforce Development Hearing.

I am testifying today in support of three important pieces of legislation that will help change the lives of millions of workers across New York:

- Senator Ramos and Assembly member Reyes bill the Unemployment Bridge Program (S3192)
- Senator Ramos and Assembly member Joyner's bill to raise the minimum wage to \$21.25 along with indexing to inflation and worker productivity, (S1978A/A2204)
- Senator Hoylman-Sigal and Assembly Member Joyner's bill Empowering People in Rights Enforcement (EMPIRE) Worker Protection Act (S541/A1893)

The Unemployment Bridge Program (UBP), would provide unemployment coverage to 750,000 workers excluded from traditional insurance with 30,000 people expected to get benefits at any given time and working similarly to traditional Unemployment. This includes low-income New Yorkers - freelancers, self-employed workers like street vendors, undocumented workers, people released from prison or immigrant detention and in re-entry, and those in the cash economy.

To ensure the Unemployment Bridge Program is revenue-neutral, the bill adds a digital ad tax that is expected to raise around \$1 billion for NYS a year, more than enough to cover the cost of the \$500 million a year program. This tax would collect a small portion of annual revenues of digital advertising services from companies with gross annual revenues of \$100M from these services - leaving no burden on the state, small businesses, or individual taxpayers.

Studies show that for every dollar provided in unemployment compensation, recipients generate \$1.93 back into the economy. The Immigration Research Initiative estimates



upwards of millions to be re-invested right back into New York. The solution is clear - ensuring access to the safety net is morally imperative, good for workers, the economy, and our communities.

Excluded workers will always face a crisis, because they are excluded from the social safety net. This program must be included in this year's budget. Here's why:

When NYCC leaders like Sixta, lost her job as a domestic worker without work authorization in the midst of the pandemic, she had no idea how she would provide any food or get medicine or other necessities for her 5 children and 4 grandchildren. Because she did not qualify for unemployment, she spent her days during this pandemic going through trash cans to collect recyclable bottles to turn in for money as her sole source of income.

Or for our member Andrew, who has been a freelancer doing tutoring classes for students, singing at events and in arts productions, and doing other odd jobs, lost most of his clients during the pandemic. Even as we are leaving the pandemic, due to the precarious nature of his job and the rise in inflation, he is still struggling to get back on his feet. With no safety net to fall back on, he suffers from immense anxiety of how to make ends meet each month.

Our members' stories are not unique. Over 130,000 New Yorkers were able to access the historic Excluded Workers Fund, but in only nine weeks - what we witnessed is the enormous need for jobless aid - and just how many New Yorkers live in the margins of the safety net.

The UBP is a lifeline for the self-employed. Freelance work is a growing part of our economy. We are seeing a shift not just in NY but around the country where companies like Condé Nest are shifting more to freelancers as a larger part of their workforce than before. Often denied or exempt from critical labor protections - the UBP would cover 180,000 thousand street vendors, truly self-employed beauty and nail salon workers, writers, photographers and digital media artists, management and technical consultants, auto repair and maintenance workers, and farm owners.

This is a carceral justice and 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 UBP 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 they needed it. If we want to tackle public safety as a state, we must tackle the root causes.

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 every year in New York state and local sales, property, and income taxes.

For those in the shadows of the cash economy - the street vendors, the domestic workers, nannies, service and restaurant workers and day laborers often exploited in informal industries - the UBP would provide a critical support in hard times.

Lastly, this is a racial and economic justice issue.

The Immigration Research Initiative has [found](#) 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 workers.

While we continue on the path to New York's full recovery, we urge the state legislature to invest in social safety net programs that prepare us, safeguard our communities, and sustain our economy.

Their families' ability to survive and put food on the table depends on it.

For the second piece of legislation we support, we must Raise the wage in NY.

\$15 an hour is not sufficient to make ends meet anywhere across the state. Working full time at a minimum wage forces our members like Vicky who make minimum wage as a home attendant to choose between paying her rent on time or putting food on the table for her and her children. This isn't helped by just how much the cost of groceries and other necessities has risen. It's the reality she lives every day along with millions of other New Yorkers. Our members work day in and day out, but how can they survive making only \$15.



Corporate profits around the country are at record levels with CEOs making 400 times what workers make. New York was the leader in the minimum wage fight but now workers across our state haven't seen a raise in 4 years.

By doing a catch up of raising the minimum wage to \$21.25 by 2026 and then indexing it to inflation and worker productivity, we will be giving 2.9 million New Yorkers at least \$3,300 back in their pockets to spend locally in their communities, helping spur our economy. This is 32% of New York's workforce.

And for the last piece of legislation, the legislature must pass the EMPIRE Act

The EmPIRE (Empowering Workers in Rights Enforcement) Worker Protection Act is a common-sense solution that strengthens existing New York Labor Law, making it more real to more New Yorkers. Every year, unscrupulous employers bet on breaking the law, stealing more than \$3 billion in wages and benefits from workers. The EmPIRE Act will expand the state's enforcement capacity and deter wage theft by creating a mechanism that allows workers and labor organizations to step into the shoes of the state and file claims for violations of the law. These actions would allow for recovery of civil penalties and injunctive and declaratory relief. It will eventually generate \$30 million annually for the DOL.

For our members like Silvia who has regularly faced exploitation at her jobs working in factories where she has been paid as little as \$100 a day for 12 hours of work, the EMPIRE act would allow for Silvia to actually take on these bad employers and end the exploitation that is happening.

To summarize, I submit this testimony in wholehearted support of the Unemployment Bridge Program, Senator Ramos and Assemblymember Joyner's Minimum Wage legislation, and the EMPIRE act. We are counting on you, our elected representatives - to bring this legislation home.

Thank you for your time.

Lucas Sanchez

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