

### **RE: NYS Unemployment Bridge Program**

#### Testimony

My name is The Reverend Peter Cook, Executive Director of the New York State Council of Churches, representing 7,500 congregations across New York State, submitting this statement on behalf of 750,000 New York State workers unable to access Unemployment Insurance if they lose their jobs. These workers are everywhere in the state: 90,000 in Long Island, 50,000 in the lower Hudson Valley, 30,000 in the mid-Hudson Valley, 20,000 in the Capital region, 90,000 in Northern and Western New York, and 480,000 in New York City.<sup>1</sup> We urge you to enact the Unemployment Bridge Program (Senate (S8165) and Assembly (A9037) to support these workers earning under \$56,000 who have been excluded from Unemployment Insurance. This important program will cost \$500 million which is a very small portion of a proposed \$227 billion State budget and it will be fully funded by an internet digital ad tax paid for by large and wealthy media corporations.

In 2021, the Excluded Workers Fund delivered a lifeline to hundreds of thousands of workers across New York who were denied pandemic relief. It also revealed the holes in our social safety net that unjustly shut out the most vulnerable workers, especially Black, brown, and immigrant workers in precarious low-wage industries. Workers excluded from Unemployment Insurance are becoming an ever-bigger part of our economy and the Unemployment Bridge Program would protect this ever-growing labor force of freelancers, self-employed workers, immigrant workers and workers in re-entry.

Our support for these excluded workers draws deeply on our faith traditions, captured in the Hebrew Book of Deuteronomy, "You shall not oppress a hired worker who is poor and needy." (Deuteronomy 24:14) And it is rooted in our charitable service to these vulnerable neighbors which also demands that we challenge the unjust economic systems that create their vulnerability and require our charity; exclusion from Unemployment Insurance is one of these unjust systems.

Unemployment compensation is an essential labor right. It provides a cushion for workers who are laid off or whose employers go out of business. It allows unemployed workers to pay their rent, feed their children and make ends meet until a new job is

<sup>&</sup>lt;sup>1</sup> Immigration Research Initiative. "Unemployment Bridge Program: Benefits in Six Regions of NYS." January 26, 2023

found. And unemployment compensation helps workers speak up against labor violations on the job and leave abusive employers without worrying that they'll lose their incomes if they do so. This program can help workers feel safer on the job and hold unjust employers accountable.

## **Immigrants Without Work Authorization**

There are an estimated 470,000 undocumented immigrant workers in New York who are excluded from Unemployment Insurance because they lack legal status and therefore are on their own when experiencing a loss of work. This number includes 60,000 on Long Island, 32,000 in the lower Hudson Valley, 15,000 in the upper Hudson Valley, 7000 in the Capitol region,14,000 in Northern and Western New York, and 340,000 in New York City.<sup>2</sup> When workers are paid on the books, they and their employer pay into unemployment insurance—despite the fact that these workers can almost never receive unemployment benefits. Over the last 10 years, undocumented immigrants paid \$1.4 billion in Unemployment Insurance taxes in New York. These funds go to subsidize unemployment insurance payments for other workers.

We know many of these excluded workers by the essential labor they provide our families and communities, particularly in their role in every stage of food production, from farm to table. Agricultural workers are vital to our state, from Western New York to North Country to Long Island, but workers also support New York's food access doing delivery, working in restaurants, and increasingly in grocery stores and distribution. We know these workers by name because, when they are laid off with no safety net to fall back on, our pantries and outreach centers feed and clothe their families and help with unpaid rent. Some are members of our congregations and they are our neighbors. These excluded workers have done their part to make Long Island a decent place to live. Our congregations have done our part with charitable support to ease their suffering caused by lost income. We cannot do much more to help them.

# Freelancers and Self-Employed Workers

There are another 180,000 New Yorkers who are self-employed and doing freelance work who are also excluded from Unemployment Insurance. Broken down by region again: 18,000 live on Long Island, 9000 in the lower Hudson Valley, 9000 in the mid-Hudson Valley, in the 11,000 in the Capital region, 44,000 in Northern and Western New York, and 84,000 in New York City.<sup>3</sup> Freelance workers include, but are not limited to: writers, photographers, digital media artists, beauty and salon workers, street vendors, maintenance workers and management and technical consultants.

Freelance work is a vital part of our workforce. In a 2020 report, an estimated 59 million U.S. workers have freelanced in the past year, which is equivalent to 36% of the country's entire workforce. The number of freelancers in the US is continuously growing

<sup>&</sup>lt;sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> Ibid.

and is expected to exceed 90.1 million by 2028.<sup>4</sup> Freelance work is also more precarious than other work. Freelancers are more likely to report living paycheck to paycheck and more likely to be younger and have fewer savings and more student loans and debt to pay off. And, in a high-cost regions like Long Island, they are often struggling with the critical affordable housing shortage as well. More and more talented young workers are moving to other states because our social supports are failing them.

The Unemployment Insurance guidelines are harsh: "We do not pay benefits for any day in which they [freelance worker] performed some work, full-time, part-time, self-employed or freelance basis." These workers have to fend for themselves if they lose their jobs, and that's just not fair.

## **Domestic Workers and Day Laborers**

There are an additional 80,000 New Yorkers working in the cash economy who are also excluded from Unemployment Insurance. By region, 10,000 live here on Long Island, 7000 in the lower Hudson Valley, 4000 in the mid-Hudson Valley, 5000 in the Capital region, 21000 in Northern and Western New York, and 38,000 in New York City<sup>5</sup>. They are landscapers who take care of our property, cleaners who tend to our homes and workplaces, construction workers who build our homes and communities from the ground up, and babysitters and nannies who raise our children and care for our aging and ill family members. Very often they are paid cash because their employers do not want to pay the UI tax or the FICA tax or any employee benefits such as health insurance. Their labor is valuable, and they matter.

## **People in Re-entry**

Other workers excluded from Unemployment Insurance are some 20,000 New Yorkers released from incarceration who worked while in detention but whose labor is not recognized as employment. Of the total, 2,000 live here on Long Island, 1000 in the lower Hudson Valley, 1000 in the mid-Hudson Valley, 2000 in the Capital region, 7000 in Northern and Western New York, and 9,000 in New York City.<sup>6</sup> When released from detention they do not have an earnings history that qualifies them for Unemployment Insurance should they get a job and then be laid off from that work. In the eyes of the Unemployment Insurance system, the work performed by incarcerated workers does not count toward the accrual of UI benefits, especially in satisfying base earnings. Incarcerated workers staff hundreds of jobs, from prison maintenance to program administration, truck drivers, factory workers and manufacturing. All the while, they are deprived of basic workplace protections, including the right to refuse work. Incarcerated workers generate \$2 billion in goods and \$9 billion worth of prison maintenance services while being paid between 12 and 52 cents per hour, with some making nothing. Unemployment benefits lift people in re-entry out of poverty when they lose their jobs,

<sup>6</sup> Ibid.

<sup>&</sup>lt;sup>4</sup> https://financesonline.com/number-of-freelancers-in-the-us/

<sup>&</sup>lt;sup>5</sup> Immigration Research Initiative. "Unemployment Bridge Program: Benefits in Six Regions of NYS." January 26, 2023

increasing eligibility for housing and avoiding recidivism, which can cost the state upwards of \$50,000 per person per incident.

As faith leaders we are committed to restorative justice for formerly incarcerated people, in part meaning they should be welcomed back into the community rather than treated with "coercion and isolation." The Unemployment Bridge Program does just that!

Almost three thousand years ago, the great Hebrew Prophet Amos commanded his people to "see that justice is done." (Amos 5:15) Today, we respond to Amos by calling on you to see that justice is done. Please enact the Unemployment Bridge Program so that 750,000 New Yorkers excluded from Unemployment Insurance will have a much-needed safety net should they lose their jobs.

Respectfully,

Par La Col

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