



# WORKFORCE IMPACTS







New York State's workforce has not yet recovered fully from the pandemic downturn. As of Fall 2021, New York State's job deficit was three times greater than the national average, and higher by some measures than any other state. Employers in some high-demand industries have seen a surge in open positions, while those in some essential sectors are struggling to retain and recruit top talent. More investments are needed to help workers and businesses alike.

The Executive Budget invests in a depleted healthcare workforce, advances meaningful job opportunities and training, and expands access to the workforce preparation New Yorkers need.

### HEALTHCARE WORKFORCE INVESTMENT

All New Yorkers should have access to safe, affordable and high-quality health care. The COVID-19 pandemic taxed an already strained healthcare system, exacerbating disparities and systemic healthcare delivery issues. The recent rise of the Omicron variant threatens to set things back even further, as essential health workers heroically forge ahead against the latest surge to care for New Yorkers.

The Executive Budget prioritizes investment in the work of healthcare and direct support workers who have continued to serve those in need throughout the COVID-19 pandemic.

To build the healthcare system of tomorrow, Governor Hochul will make a more-than-\$10 billion, multi-year investment in healthcare, including more than \$4 billion to support wages and bonuses for healthcare workers. Key components of this multi-year investment include:

- \$2 billion to support healthcare worker wages;
- \$1.2 billion to support healthcare and mental hygiene worker retention bonuses, with up to \$3,000 bonuses going to full-time workers who remain in their positions for one year, and prorated bonuses for those working fewer hours;
- \$500 million for Cost of Living Adjustments (COLAs) to help raise wages for human services workers;
- \$2.4 billion for healthcare capital infrastructure and improved lab capacity; and

- Other investments in workforce and healthcare access and delivery.

With these investments, Governor Hochul proposes to rebuild and grow the healthcare workforce by 20 percent over the next five years with a program designed to strengthen home care, improve the career pipeline, expand access to healthcare training and education, and recruit healthcare and direct support professionals to care for people in underserved areas.

The Executive Budget also preserves critical social supports, promotes the long-term fiscal sustainability of the healthcare system and continues to advance important reforms aimed at improving the health of New Yorkers at a sustainable cost.

### EDUCATION WORKFORCE INVESTMENT

Post-secondary education is crucial for economic success, with 70 percent of new jobs requiring some post-secondary credential. But roughly 2.4 million New Yorkers between ages 25 and 44 lack a post-secondary degree or credential, putting them at risk of being left behind as the job market continues to trend toward more skilled hires.

To make the State more responsive to these post-secondary workforce needs, Governor Hochul will implement a plan to make it easier for New Yorkers to move between education and career, providing students with pathways and assistance to earn credentials on their own time and in a cost-effective manner. Components of this plan include:

**Transform State University of New York (SUNY) into a Nation-Leading Public Higher Education System.** Governor Hochul will partner over the next year with SUNY, its individual institutions, and key stakeholders to develop a plan to implement her vision to transform SUNY into the top statewide system of public higher education in the country. The Executive Budget will help start this transformation with funding for new engineering buildings to help the University at Buffalo and Stony Brook University become SUNY's flagship institutions.

**Increase SUNY and City University of New York (CUNY) Operating Support.** The Executive Budget will increase operating support to SUNY State-operated campuses and CUNY senior colleges by fully reimbursing colleges for the \$108.4 million cost of "Tuition Assistance Program (TAP) Gap" tuition credits, providing additional

State support of \$59.6 million to CUNY and \$48.8 million to SUNY. The university systems will also receive an \$18.6 million in additional operating revenue from Executive Budget legislation to raise the amount of State support that campuses receive for Excelsior Scholarship recipients, increasing operating support by \$13.7 million to SUNY State-operated campuses, \$2.8 million to CUNY senior colleges and \$2.1 million to community colleges.

**Expand Part-Time Students' Access to TAP.** The Executive Budget includes \$150 million to expand TAP, which currently is largely unavailable for students studying part-time, to cover students enrolled in six or more credits of study at a SUNY, CUNY, or not-for-profit independent college -- an investment estimated to provide support to 75,000 additional New York students annually.

**Repeal TAP Prohibition for Incarcerated Individuals.** In 1995, a New York State law prohibited incarcerated people from being eligible to receive State financial aid. The Executive Budget repeals the prohibition against using TAP in prisons.

**Provide Financial Aid for Workforce Credential Programs at Community Colleges for High-Demand Fields.** The Executive Budget further expands part-time TAP to cover students enrolled in workforce credential programs at community colleges in high-demand fields. To ensure the program focuses on the highest-growth areas, Empire State Development (ESD) and the State's Regional Economic Development Councils (REDCs) will recommend which courses of sequence would be eligible for State funding, based on an analysis of regional industry trends and workforce needs.

**Provide Childcare at All SUNY and CUNY Campuses.** The Executive Budget includes \$15.6 million to expand childcare to all SUNY and CUNY campuses. Currently, 18 SUNY and eight CUNY campuses lack on-site childcare. Access to affordable childcare can be a major barrier for New Yorkers trying to pursue higher education or workforce development courses at State institutions.

## STATE WORKFORCE INVESTMENTS

The Executive Budget includes several new state workforce initiatives, including recognition of the essential workers who have sustained the healthcare and mental hygiene systems, and other initiatives, including recruiting the next generation of public

servants, expanding the State's 'technology pipeline,' making New York State a model for the employment of workers with disabilities, and investing in workforce regrowth.

- **Frontline Healthcare and Mental Hygiene Worker Bonuses.** This retention program will provide up to \$3,000 bonuses to full-time workers who remain in their positions for one year, and prorated bonuses for those working fewer hours.
- **Expansion of the Statutory Shift Pay Differential.** The Executive Budget advances legislation to improve staffing of hard-to-fill shifts within the State's institutional settings, including healthcare settings, by authorizing the provision of the shift pay differential for any work shift which it is deemed necessary to incentivize employees to work.
- **Make Civil Service Exams More Accessible.** New Department of Civil Service (DCS) testing centers will be established at designated SUNY college campuses throughout the state to make it easier for students to enter into New York State service upon graduation.
- **Promote Diverse Hiring.** To help State agencies hire the best and brightest as quickly as possible, the Executive Budget proposes legislation to change Civil Service Law to accelerate the hiring of qualified diverse candidates to public service careers and streamline hiring practices.
- **Improve Civil Service Exam Quality:** DCS will expand efforts to ensure that civil service exams are maintaining the highest standards of integrity and equity.
- **A New Fellowship Program:** The Executive Budget will expand the tech talent pipeline by increasing exposure to technical roles in government service through a new fellowship program intended to provide graduates, including those historically under-represented in technology, the opportunity to enter public service two years right out of school.

## BROADER WORKFORCE INVESTMENTS

On top of FY 2023 workforce commitments to healthcare and higher education, the State will invest in a full spectrum of programs to



unlock and expand access to career opportunities that prepare more New Yorkers for the jobs of the future.

## HUMAN SERVICES

**Support Child Care Programs.** Child care is essential to give children the best possible chance at success and parents the ability to participate and advance in the workforce. Similarly, the availability of child care is vital to the State's economic recovery. However, the pandemic has caused acute stress on the child care industry, as many providers closed and others struggled with workforce issues.

Using Federal funding, New York State has reinforced the care industry, awarding \$900 million in Child Care Stabilization Grants to more than 15,000 providers statewide. These payments are helping to cover the costs of child care workers, rent or mortgage, utilities, supplies, training and many other purposes.

In recognition of the vital role essential workers played during the pandemic, child care scholarships were provided to nearly 42,000 of their children.

Federal funds are also being used to make systemic changes that will permanently expand the availability, quality and affordability of child care. Families up to 200 percent of the Federal poverty level are given access to subsidies, and family copayments are limited to 10 percent of income over the Federal poverty level. Further investments are being made to increase capacity in child care "deserts" and to help parents find the child care provider that's right for them. In all, \$2.3 billion in extraordinary support is being given to families and child care providers.

The efforts to stabilize and strengthen the availability, affordability, and quality of child care in New York State builds on \$832 million for child care subsidies through the New York State Child Care Block Grant, maintained in the FY 2023 Executive Budget. These funds serve approximately 132,000 children, ages 0-13, from approximately 79,000 low-income families.

## MENTAL HYGIENE

**Office for People with Developmental Disabilities (OPWDD).** OPWDD workforce-related initiatives in the Executive Budget include a 20

percent Longevity Bonus, 20 percent Retention Bonus, Frontline Healthcare Worker Bonuses and vaccination bonuses all aimed at rewarding direct care workers and relieving providers of the longstanding recruitment and retention issues that were worsened by the pandemic.

**Opioid Stewardship and Settlements Investments:** The Executive Budget utilizes over \$100 million collected from pharmaceutical companies responsible for fomenting the opioid crisis to fund an historic investment in addiction services across New York State, including \$4 million to fund scholarships for current and future members of New York State's addiction services workforce.

## GENERAL GOVERNMENT

**Modernizing Civil Service Exams:** The Executive Budget provides \$5.8 million in additional funding to the DCS to continue modernizing the State's exam process, including the creation of a new Test Validation and Evaluation Unit within DCS that will continually create and evaluate exam content to maintain the highest levels of integrity, establishing new SUNY campus test centers, and funding for technical assistance for online/virtual exams. Additionally, the Executive Budget advances several pieces of legislation that will make the exam process more accessible, resulting in a more diverse and inclusive state workforce.

## ECONOMIC DEVELOPMENT

**Establish the Office of Workforce and Economic Development.** A new Office of Workforce and Economic Development at Empire State Development will coordinate efforts statewide through the State's Regional Economic Development Councils, and in conjunction with the Department of Labor, the State University of New York, and the City University of New York.

The State will also invest in a full spectrum of programs to unlock career opportunities that prepare more New Yorkers for the jobs of the future – with particular focus on information technology, life sciences and advanced manufacturing, the green economy, and film production and post-production.

**Build on New York's Support for MWBEs.** Governor Hochul recently announced that New York State's utilization rate for MWBEs has

surpassed 30 percent – the highest in the country – with more than \$3 billion in State contracts awarded to MWBEs in FY21. To ensure that MWBEs across the state continue to have meaningful opportunities to participate in state contracting, Governor Hochul will:

- Provide increased resources and up to \$11 million in additional funding to improve the MWBE program and ensure timely and efficient processing of MWBE certifications for qualified businesses; and,
- Establish a new unit within ESD dedicated exclusively to processing administrative appeals, including challenges to the denial of MWBE certifications, to ensure timely processing of appeals.