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*Kathy Hochul, Governor  
Roberta Reardon, Commissioner*

## **Commissioner Reardon Budget Testimony**

### **Joint Legislative Public Hearing on 2025 Executive Budget Proposal: Workforce Development**

Chairs Krueger and Pretlow, distinguished members of the committees, thank you for giving me this opportunity to discuss Governor Kathy Hochul’s Executive Budget and provide updates on our efforts at the Department of Labor. I am Roberta Reardon, the New York State Labor Commissioner.

The work of this committee, and the entire Legislature, is vital to the Department’s mission, and we truly value your partnership. Together, we continue to champion our workforce by passing strong laws that preserve and protect both workers and businesses alike.

The Legislature and my Department continue to put in the work to maintain our synergy for the betterment of New York State. I have met one-on-one with many of you and your esteemed colleagues over the past year. Transparency is a top priority to Governor Hochul, and I want you to know that our doors remain open to you this year and beyond.

Your constituents have high expectations. In this modern age, we all have a heightened sense of urgency. As an agency that has undergone a rapid, but necessary transformation, we are now better positioned than

ever to not only meet expectations, but to exceed them.

One issue that impacts every worker, business, and community across New York State is wage theft. The Governor's proposal to strengthen our enforcement capabilities will enhance our ongoing effort to crack down on bad actors. Her plan would give us the authority to levy liens and seize financial assets following an unpaid wage theft judgement. This will help us get money directly back into the pockets of hardworking New Yorkers. It also sends a powerful message that there is zero tolerance for wage theft in New York State.

Since 2017, The Department has recovered and dispersed more than \$243 million in stolen wages. Last year alone, we recovered nearly \$34 million in wages for over 46,000 workers. We continue to work with law enforcement and labor partners to recover funds for New Yorkers. You now have unprecedented access to our work in this space through our new Wage Theft Investigation Dashboard, which provides comprehensive information on wage violation cases, wages returned to workers, and penalties levied against violators.

The Governor vowed to make New York the safest state in the nation, and that extends to protecting the youngest members of our workforce. Young New Yorkers are the future of our economy, and an early negative work experience can impact their career aspirations for years to come. Governor Hochul is advancing legislation to strengthen child labor protections. She wants to raise the maximum civil penalties and establish felony-level criminal charges for violations that seriously injure our youngest members of the workforce.

We also want to make entering the workforce as simple as possible for young New Yorkers, but in order to do that we need to meet them where they are. The Governor is aware of that, which is why she wants to bring the working papers system into the digital age. Taking this step will be transformative not only for young workers, but it will also reduce the burden on employers and streamline the hiring process. We want to make it as efficient as possible for workers just getting started to jump into the workforce.

Governor Hochul's focus on health and well-being also extends to families in the workplace. As the first mother to serve as Governor of New York State, she understands the struggle of balancing family and work. Thanks to Governor Hochul, New York is the first state in the nation to offer Paid Prenatal Leave to pregnant workers. This means never having to choose between a paycheck and a checkup.

Paychecks across the state are growing, thanks to the minimum wage increase. The State's lowest earners just received a bump in their pay by 50-cents per hour. The minimum wage will rise again next year before increases are tied to the rate of inflation. Prenatal leave and the rising minimum wage are just two of the many initiatives the Governor has implemented in her effort to make New York a more affordable place to raise a family.

In order to better set New Yorkers up for success, especially the unemployed or underemployed, they must be able to learn the skills they need to succeed. Workforce development is essential to our economic survival.

We continue to lean on successful workforce development models, including registered apprenticeships, which help guide New Yorkers into stable, fulfilling, and family-sustaining careers. Registered apprenticeships give thousands of New Yorkers access to a debt-free form of higher education that is a job from day one. To begin a career with little or no debt these days is the very definition of affordable higher education.

The Governor continues to champion registered apprenticeships. Her budget calls for \$10 million in new state funding to augment the expansion of these programs and grow opportunities for the next generation of young workers. I want to thank our esteemed labor chairs, Senator Ramos and Assemblymember Bronson, for joining me in November for our grant announcements supporting programs in their regions. While we have more than 17,000 active apprentices participating in around 900 programs across the state right now, more can and will be done. We are working with partners to explore ways to grow and enhance programming.

The Department is also focused on strengthening workforce development for young New Yorkers. The Governor is proposing \$8 million for training in key industries, such as artificial intelligence, cyber security, advanced manufacturing, health care, education, and more. This will involve collaborating with businesses, schools, and community stakeholders to establish successful pathways for job seekers and high school students. By investing in the next generation now, we are fortifying the future of our economy.

We are also busy building the next generation of the Unemployment Insurance system. We are now in the testing phase, to ensure it works well for our customers. Once completed, this effective and efficient system will be a model for the rest of the nation.

The Department of Labor is so far from the agency we were just a few years ago, and I continue to marvel at our metamorphosis. We embraced evolution and it has positioned us for continued improvement for years to come.

With your support, we have laid the groundwork for a better tomorrow. The foundation remains solid, fueled by the strength of dedicated civil servants who are committed to supporting the needs of their neighbors. Now, we focus on the future. A future that seems brighter each year, thanks to the leadership of Governor Hochul, and the partnership of the Legislature. With the support of this budget, we can continue to work together to build the strong, innovative, and inclusive economic future that our State deserves. Thank you.