

TESTIMONY BY
FIRST DEPUTY COMMISSIONER
JACKIE MALLON
NEW YORK CITY
DEPARTMENT OF SMALL BUSINESS SERVICES

WEDNESDAY, JANUARY 27, 2015

Good afternoon. My name is Jackie Mallon and I am the First Deputy Commissioner of the New York City Department of Small Business Services ("SBS"). At SBS, we seek to foster a thriving, equitable City by connecting New Yorkers to good jobs, creating stronger businesses, and building a fairer economy. In support of Mayor de Blasio's workforce development strategy, *Career Pathways: One City, Working Together*, SBS is significantly increasing investments in training New Yorkers, expanding Industry Partnerships, improving access to employment opportunities, and supporting local job creation by empowering entrepreneurs to launch and grow thriving businesses in New York City.

SBS has significantly increased our investment in occupational skills training this Fiscal Year, helping New Yorkers prepare for 21st Century jobs. Through this investment, we help New Yorkers enter and advance in the key sectors that drive New York City's economy. All of our training investments share two characteristics: 1) these trainings are designed to help low-income New Yorkers gain access to living wage jobs that they otherwise struggle to find and secure; 2) they are informed by industry, and designed to meet employers' needs.

One of the primary ways we ensure alignment with industry is through our Industry Partnerships. In the past year we have expanded our healthcare Industry Partnership, NYACH, and our tech Industry Partnership, the Tech Talent Pipeline. Collectively these Industry Partnerships represent more than 200 large and small employers and more than 140,000 jobs. Industry Partnerships work with industry, organized labor, non-profits, training providers, private philanthropy, and workforce organizations to build a pipeline of local talent to fill New York City's jobs. SBS is also in the process of launching new Industry Partnerships in the construction, industrial, food service and retail sectors.

While our Industry Partnerships help uncover and understand employer demand, and design the trainings to meet that demand, our Workforce1 Career Centers focus on connecting New Yorkers across the five boroughs to those opportunities. Through our network of 17 Workforce1 Career Centers, SBS trains and connects jobseekers to family-supporting jobs, and

offers businesses cost-saving recruitment services. We serve between 125,000 and 150,000 New Yorkers annually and connect roughly 25,000 to 30,000 people to jobs.

HireNYC, one of the largest and most impactful targeted hiring programs in the nation, will leverage the network of Workforce1 Career Centers to connect New Yorkers to open positions created through the City's purchases and investments. Every year the City of New York spends billions of dollars on everything from social services to playgrounds. Through HireNYC and the Workforce1 Career Center system we are making sure that more New Yorkers have a first shot at jobs related to City projects, and that employers have access to an expanded pool of talent.

In support of the objective to help workers secure good-paying jobs in fast-growing sectors laid out by *Career Pathways*, SBS has instituted a job quality policy which requires businesses receiving free recruitment services through our Workforce1 Career Centers to hire employees for full-time positions or pay wages of at least \$11.50 per hour. As a result we have seen a significant increase in the percent of New Yorkers connected to full-time work -- from 45% in 2013 to 71% in 2015. We have also seen a significant increase in the average wage of that work from \$10.71 in 2013 to \$12.56 in 2015.

In addition, SBS recently launched two new Workforce1 Career Center partnerships. In December, SBS launched the Rockaways Economic Advancement Initiative and Rockaway Workforce1 Career Center – in partnership with the New York City Housing Authority (NYCHA) and the Center for Economic Opportunity (CEO). The Rockaway Center is the first Workforce1 Career Center to include a dedicated training lab, equipping Rockaway residents with the skills necessary to secure in-demand jobs by providing industry-approved occupational trainings in an easily accessible location on the peninsula. The flexible training lab space will offer trainings focusing on a range of occupations in healthcare, transportation, construction and other sectors. Earlier in 2015, SBS launched pre-apprenticeship training scholarships, available to low- and middle-income residents of Sandy-impacted areas, in partnership with the Mayor's Office of

Housing Recovery (HRO). These scholarships are offered primarily through the Sandy Recovery Workforce1 Center at 1906 Mermaid Avenue in Coney Island, as well as in Staten Island and now the Rockaways. This Workforce1 initiative is part of the de Blasio Administration's efforts to create an equitable recovery, both physically and economically, in New York's most hard-hit communities.

Lastly, SBS will also invest \$5.1 million this year to train more than 2,500 women, immigrants, and other entrepreneurs looking to start and expand their businesses. Included in these efforts is the Women Entrepreneurs New York City initiative (or "WE NYC") that specifically builds resources for women entrepreneurs, and the Immigrant Business Initiative, which helps foreign born New Yorkers to start and expand their own businesses.

Through these efforts and the vision laid out through the *Career Pathways* plan, SBS is equipping New Yorkers with the in-demand skills necessary to build successful careers in the 21st century economy, and ensuring that local businesses have access to world-class talent they need right here in the five boroughs. I am happy to answer any questions you may have on the SBS programs I have discussed today. Thank you.

City Council Testimony

January 27, 2016

Thank you, Chairperson Garodnick and Chairperson Cornegy and Chairperson Miller for the opportunity to speak about the transformation of the City's workforce development system to connect workers to quality job opportunities. In December of last year, I testified regarding our report **Career Pathways: One City Working Together**. Last month we released **Career Pathways: Progress Update** on the progress the city has made towards an efficient and effective workforce system that helps New Yorkers connect with careers that provide economic stability and mobility.

First, by way of introduction: I serve as Executive Director of the Mayor's Office of Workforce Development (WKDEV), an office established by the Mayor to serve as the coordinating entity for the City's workforce initiatives. In 2014, we convened the Jobs for New Yorkers Task Force, comprised of 30 members from government agencies, businesses, educational institutions, organized labor, non-profits, and philanthropy. The WKDEV office is a policy and strategy making body; we oversee the Workforce Development Board – a body majority of business members required under the Workforce Innovation and Opportunity Act (WIOA) of 2014. We also coordinate with the Mayor's Fund Center for Youth Employment (CYE).

I am joined here today by Jackie Mallon, First Deputy Commissioner of the Department of Small Business Services who will speak to the value of the transformations happening in the city's Workforce1 Career Center system and the Industry Partnerships.

Career Pathways is a guiding strategy describing how elements of the City's workforce system should align and connect to one another to support growing economic sectors and thriving businesses in New York City. The Career Pathways approach connects progressive levels of education, training, support services and credentials, while working with employers to grow a pipeline of skilled workers for in-demand occupations all to result in mobility and increased wages for workers and success for businesses.

The Career Pathways report in 2014 outlined three key pillars:

1. **Building skills employers seek:** Moving away from the previous administration's focus on quantity of hires, workforce programs now focus on connecting New Yorkers to quality jobs with wages that can support a family and careers that provide opportunities for advancement. The Industry Partnerships approach to training and career development provides robust feedback loops from companies in growth sectors of New York's economy.
2. **Improving Job Quality:** To improve the economic stability of New Yorkers, the City is taking steps to support businesses that demonstrate worker-friendly practices such as consistent scheduling, access to commuter benefits, and financial empowerment. In

addition to providing stability for workers, these common-sense practices support the bottom line for employers by increasing employee morale and lowering turnover costs.

3. **Increasing System and Policy Coordination:** To address workforce and industry needs at the appropriate scale and in a durable way, system change is required. System change strategies include action by industry, education and training providers, public partners, and workers to better align labor market needs, job quality, and workforce development services. To maximize system-wide efficiency and coordination, the City is aligning its workforce initiatives utilizing a new set of common metrics which are being rolled out this year.

One Year Progress Update: The past year has been a tremendous year for growth in New York City. As of October 2015, New York was home to a record total of 4.26 million jobs, and the unemployment rate was the lowest since the recession. Wages rose by four percent in 2014, the first such improvement since 2010. As New York City's economy continues to rebound, the Career Pathways framework is critical to ensure all New Yorkers can benefit from the City's development, and that businesses throughout the City are connected to local talent. One year after Mayor De Blasio released the Career Pathways Report, New York City has marked significant progress in key areas recommended in the report.

- **Increased investments in training and bridge programs:** The City's investments in workforce training nearly doubled to \$54.3 million, translating to 4,000 more New Yorkers who will build their skills this year. An estimated 18,700 New Yorkers will benefit from Bridge, occupational skills training and entrepreneurship programs in the current FY16. *Career Pathways* pledged to bring this investment up to \$100 million

within five years. This year's total included \$5.7 million spent to train more than 3,000 women, immigrants, and other entrepreneurs looking to expand their businesses. The City has allocated \$6.4 million to launch Bridge programs for individuals looking to build basic skills in preparation for job training or further education. This additional funding is estimated to serve close to 1,000 New Yorkers with literacy levels of fourth through eighth grade.

- **Expanded resources for youth employment:** This past year marked the creation of the Center for Youth Employment, a public-private partnership between the Mayor's Fund and local business leaders to support 100,000 jobs, internships and mentorships for young New Yorkers each year. Additionally, with support from the City Council, DYCD created a year-round program for 4,000 of the summer students called Work, Learn & Grow. The Department of Youth and Community Development (DYCD) increased the number of participants in the Summer Youth Employment Program to over 54,000, the highest number in recent years.
- **Maximizing job opportunities for New Yorkers:** In October of 2015, the City launched HireNYC, a targeted hiring program aimed at leveraging the City's purchasing power and economic development investments. HireNYC will ensure that large contracts which make up over 90 percent of the City's non-emergency spending, as well as construction and development investments, will help provide New Yorkers with access to thousands of jobs, ranging from jobs like security guards and administrative assistants to design coordinators and project managers.

- **Building connected systems:** The Career Pathways: Progress Update shares the data and descriptions of budgets, programs and shows the progress from eighteen agencies and a total of 137 workforce programs. The City delivers a number of its workforce programs through public-private partnerships with several of New York City's largest philanthropies, educational institutions, companies, non-profits and unions. The three City agencies that serve hundreds of thousands of New Yorkers- HRA, DYCD, and SBS- have begun to align resources along Career Pathways lines through new RFPs to be released this year. Each of these new contracts will serve to embed key elements of the Career Pathways framework: incorporating Common Metrics; building handoffs between programs that have been siloed in the past; shifting programmatic design to a focus on preparing individuals for entry into skills-training programs; and creating the steps to achieve the vision of system and policy coordination.
- **High-Road Employer Strategies**
 - **Best for NYC:** In early 2015, the New York City Economic Development Corporation (NYCEDC) launched **Best for NYC**, a campaign formed to inspire and equip businesses to measure and improve their impact on workers, the community and the environment. Through Best for NYC, business can assess their practices using the leading global tool for measuring, benchmarking, and improving economic and social impact- the B-lab Impact Assessment. The tool examines a variety of practices, including diversity and inclusion, compensation, benefits, and governance. The businesses that complete the assessment and

commit to seeking ways to improve their practices, will this year compete for the inaugural Best for NYC Awards in 2016. As of January , 540 businesses have started the assessment, exceeding our goal of engaging with at least 500 employers. Companies such as Uncommon Goods and Liddabit Sweets are some of the companies that are a part of the movement. After completing the Best for NYC assessment, businesses are offered services from both SBS and EDC to support the adoption of high-road business practices.

- **Access to Financial Empowerment:** To help connect low-wage workers to financial empowerment resources through their workplaces, the Department of Consumer Affairs is launching the NYC Free Tax Prep at Work campaign, which gives employers the opportunity to provide valuable financial assistance to their employees for free.

Fundamentally, these systems-shifting changes lay the groundwork to realizing the Career Pathways goals of helping every New Yorker access and maintain stable employment and earn a family-supporting wage, while ensuring that business in the City can find the talent they need.

I look forward to the second year of implementation at the Mayor's Office of Workforce Development. Thank you for your support and I will happy to take questions at this time.

TESTIMONY OF CHRISTIAN GONZÁLEZ-RIVERA, CENTER FOR AN URBAN FUTURE
BEFORE THE NEW YORK CITY COUNCIL COMMITTEES ON
ECONOMIC DEVELOPMENT, SMALL BUSINESS, AND CIVIL SERVICE & LABOR

JOINT OVERSIGHT HEARING

"UPDATE ON THE MAYOR'S STRUCTURAL REFORMS OF THE CITY'S WORKFORCE DEVELOPMENT SYSTEMS"

January 27, 2016

My name is Christian Gonzalez-Rivera, and I am a senior researcher at the Center for an Urban Future, a non-partisan public policy think-tank based here in Manhattan that publishes studies about how New York can expand economic opportunity and grow its economy. We've published studies ranging from the importance of ESOL and adult basic education programs to the need to improve the city's youth workforce development system. We have been writing about and influencing workforce policy in New York City and the State for over a decade. Thank you for the opportunity to testify.

The need for cities to strengthen and modernize their workforce development strategy in the face of a rapidly transforming labor market is very clear. After all, we know that decent jobs have become scarce for high school graduates and non-existent for dropouts; that lifelong learning is now essential to keep up with changes in employer demand; and that increasing numbers of workers are working on a contingent basis. Importantly, policymakers around the country, not least here in America's largest city, increasingly understand that a 'Bachelor's or bust' approach to training the workforce of tomorrow has serious limitations. Postsecondary options that include occupational training, community college programs, and certificate programs all have a role to play in preparing students to compete in the labor market, rather than assuming that only a four-year college degree can get New Yorkers on a path to jobs with self-sufficiency wages.

Fortunately for us, New York City is one of only a handful of cities in the United States to rethink its workforce, education, and social services programs to respond to these important changes in the labor market. And to its credit, the Career Pathways initiative is arguably more comprehensive in its vision, and certainly in its scale, than that of any other American city. Though it is not perfect, it draws from the evidence and experience of great programs here and in other cities. It needs to succeed for the sake of our city's future prosperity, and we believe it can succeed.

After one year, so much is still in the pipeline, most importantly the contracts that will determine what providers are asked to do and the metrics with which the city will measure success. But I can make some preliminary observations, based on research the Center for an Urban Future is conducting for an upcoming study.

- ***The Human Resources Administration (HRA) has come the furthest in a year.*** HRA adopted its work-first strategy in the mid-1990s, even before passage of the federal Personal Responsibility and Work

Opportunity Act of 1996, but then maintained that strategy through the high unemployment era of the Great Recession. Now HRA is moving on a multifaceted plan to replace the outmoded work-first strategy with a more sophisticated approach that incorporates career counseling, education and training, and coordinated service delivery, all in alignment with the Career Pathways framework. Importantly, HRA posted concept papers and took public input to improve the final product.

- ***The two Industry Partnerships are finding their way.*** The New York Alliance for Careers in Healthcare and the Tech Talent Pipeline are both up and running, executing strategic plans and building programs with employers, providers and other partners. They have also been working closely with CUNY to develop training curricula that is informed by input from their respective industries. While the idea of having a formal system for soliciting and acting on employer input is promising, it is still an open question whether the model that has been applied to industries with more clearly defined career pathways and skill requirements like healthcare and tech can be applied to industries that lack clear roadmaps for advancement, notably food service and retail. The manufacturing and construction industries also have complex challenges to address.
- ***City agencies should be transparent in their implementation of Career Pathways.*** HRA has been fairly open about its plans for implementing Career Pathways. But we still need to hear more from the Department of Small Business Services (SBS) about how it will implement Career Pathways. For instance, four Industry Partnerships still remain to be established, but the workforce community has limited information about the strategic approaches that SBS envisions for each one. There are also open questions about the Workforce1 Centers. How will the Workforce 1 Centers be reconceived to harmonize with Career Pathways? What role will the Workforce1 Sector Centers play? How will provider contracts embody these changes? SBS has not disclosed its plans in these areas. The concern here is not so much government transparency and accountability, but effectiveness. SBS has traditionally been among the strongest entities in the city developing workforce policy and running programs, but despite their demonstrated capacity, these highly complex initiatives benefit from the input of experts, stakeholders, and elected officials. More input is better than less, so the policy dialogue should be opened as widely as possible.
- ***CUNY is highly important, yet not adequately integrated into Career Pathways.*** In a system that relies on education and training, all roads lead to CUNY. Some aspects of CUNY's role appear to be going well, such as its participation in the Industry Partnerships and its expansion of CUNY ASAP. But key elements of the Career Pathways framework do not appear to be making headway at CUNY, such as credit for prior learning, stackable credentials, and competency-based learning in general. These elements are important for CUNY's ability to support the career needs of adult students, engage more effectively with employers, and coordinate its programs with those of non-profit workforce providers. This is another area that would benefit from more open conversations about what progress is being made.
- ***New York State lags behind in developing its own career pathways initiative and supporting New York City.*** The state role in career pathways is critical. Governor Cuomo oversees the Regional Economic Development Corporations, disburses the WIOA governor's set-aside fund, and manages the Tuition Assistance Program. The Department of Labor oversees the city's implementation of the state workforce plan. The Board of Regents disburses all adult literacy funding and approves new career and technical education programs. The State Legislature has an important voice in all of these and many other

workforce-related decisions. Unfortunately, state policymakers have not yet come to grips with the changing labor market in the intentional way New York City has. So educating these policymakers over time will be essential to the city's ability to operationalize the Career Pathways strategy.

These are a few of our concerns, but our overall assessment is that the Career Pathways framework as it is being implemented bears much promise to radically improve the city's ability to improve the lives of people who face barriers and disadvantages to achieving self-sufficiency through work. And if we were to pick one achievement of Career Pathways that stands a head above the rest, it is the very fact that through the efforts of the Mayor's Office of Workforce Development, the New York City Employment and Training Coalition, and others, New York City's workforce community is now speaking the language of training, basic skills, job quality, and meaningful employer engagement. The primary discussion about public workforce development programs used to be about the hustle to meet job placement targets. Today the workforce community is now more aware that getting someone into a job is not the end goal, but only the beginning of a jobseekers path to self-sufficiency through employment.

Closely related to that big achievement is the city's newly enlarged appetite for innovation in the workforce area. Recognizing that many of the strongest and most effective workforce programs in the city have been catalyzed and funded by private philanthropy, the city, particularly HRA, SBS, and the Mayor's Office for Workforce Development, have been working more closely than ever with the Workforce Funders Group, a group of foundations that collectively represent the most generous infusion of private money by far of any American city. By joining forces to build on philanthropy's legacy of innovation, the workforce system stands a better chance of lifting up what works and measuring what matters.



Testimony by Mary Ellen Clark,
Executive Director of the New York City Employment and Training Coalition (NYECTC)

To the New York City Council Committee on Economic Development, the Committee on Small
Business, Committee on Civil Service and Labor

Oversight – Update on the Mayor’s Structural Reforms of the City’s Workforce Development
Systems

January 27, 2016

Good afternoon and thank you for holding this hearing and inviting us to testify on the progress made by the Mayor’s structural reforms of the City’s Workforce Development Systems.

My name is Mary Ellen Clark, Executive Director for the New York City Employment and Training Coalition (NYCETC). NYCETC is an association representing the expertise of over 150 community-based organizations (CBOs), educational institutions, and labor unions that annually provide job training and employment services to over 800,000 New Yorkers, including public assistance recipients, unemployed workers, low-wage workers, at-risk youth, individuals involved with the criminal justice system, immigrants, veterans, the homeless, the elderly, and individuals with disabilities. The Coalition is the only citywide association exclusively focused on workforce development and has played a vital role bringing together the city’s workforce community for close to 20 years, advancing policy priorities, convening to share information and best practices. The Coalition has a responsibility to give voice on what makes sense to our community to government, policy makers, researchers, the media and funders. Our advocacy agenda is not one size for all members. We tailor the positions to reflect the most important issues facing many of our members.

The one year anniversary of the Career Pathways report gave us an opportunity to reflect on what our community needs to be an effective and successful partner to the new approach and model. We are encouraged by the transformational concepts advanced by Commissioner Steve Banks and the HRA team. To this end, we have already taken steps to provide collective feedback and at times appropriate criticism of the City’s new concepts for DYCD and HRA workforce programs to ensure that there is adequate funding and consideration for how the new system can work effectively, based on our members’ experience. We strongly feel that the changes called for in the Career Pathways report must leverage the expertise of our members who have been implementing innovative and effective programs for decades.

We are heartened by the attention that bridge programs (integrating adult basic education and contextualized vocational training) gained in the Career Pathways report. Many of our members have operated bridge programs for years. We have expertise but, because the funding has been fragmented and patched together from disparate sources, it has been difficult to compare outcomes and communicate success. Some examples of recognized high quality bridge programs include LaGuardia Community College’s Bridge to Careers program; Per Scholas and The Door; 1199SEIU

Bridge; PhippsNY; Henry Street Settlement's Project Rise; Opportunity for a Better Tomorrow; and Goodwill Industries. I have had the privilege of being on the Young Women's Initiative Task Force, as have several of our board members playing leadership roles. We applaud the City's efforts to highlight the need to help our young girls of color to have access to a level playing field. The Career Pathways model as envisioned requires increased funding and continued focused attention, such as the Young Women's Initiative.

This Monday NYCETC convened 160 workforce professionals who spent the day in working sessions identifying policy changes and actions needed and the message was clear – the City must adequately fund high quality programs that prepare New Yorkers for good jobs paying a living wage. At the forum, Katy Gaul-Stigge said “We know that low touch, inexpensive programs do not work.” We could not agree more. A strong, effective system is not created by short term and fleeting investments. If we want to change the system, we need to fund it appropriately so that we may ensure access to quality programming for New York's most vulnerable populations. We cannot shortchange the system, the organizations who provide quality services or the New Yorkers who need them.

While the Coalition applauds the new SBS policy focus on quality job placements at the Workforce1 Centers, the work that many of our member organizations do in training and placements are not recorded in the “system” as the City defines it (Workforce1, CUNY, DYCD and HRA). Our member organizations work with marginalized individuals who may never be able to compete for middle-wage jobs and thus City dollars never reach these communities. Funded by private philanthropy who have quadrupled their investment in community based organizations to fill the gap, the work with the most vulnerable is outside the City “system”. Unfortunately, as we have seen the pool of middle-wage jobs decline, the increase in New York City is in low-wage jobs in retail and the service industry. We must continue to raise the floor ensuring that employers pay higher, competitive wages. Employers are important stakeholders in this system and need to pay living wages and provide a quality work environment in terms of full-time work with benefits and fair schedules.

In summary more funding is needed to match the bold equality agenda advanced by the Mayor. We would request that the City Council consider “specialized population contracts” to help bridge the gap between the public system and the CBO community, similar to the Council funded Jobs to Build On initiative. Individuals who are marginalized are most likely to utilize quality, convenient programming in their community and the onramps our frontline organizations provide. We encourage the City and City Council to capitalize on the knowledge and capacity offered by the NYCETC training provider community to yield stronger and longer-lasting economic success.

Thank you for the opportunity to testify today and we look forward to continuing to work together to ensure that all New Yorkers have access to quality jobs.

For more information, please contact:

Mary Ellen Clark at meclark@nycetc.org, 212-925-6675 x501

www.nycetc.org



**New York City Council
– Oversight Hearing –
*Update on the Mayor's Structural Reforms of the City's Workforce Development Systems***

**Testimony from the New York Immigration Coalition
January 27, 2016**

Good afternoon. My name is Betsy Plum and I am the Director of Special Projects at the New York Immigration Coalition, an umbrella policy and advocacy organization that works statewide with nearly 200 immigrant-serving member organizations. My testimony today is on behalf of the NYIC, which is also an active member of the New York City Coalition for Adult Literacy.

Thank you to chairs Garodnick, Cornegy, and Miller for the opportunity to testify at today's hearing on the Mayor's structural reforms to the City's workforce development systems. With perhaps the largest of these reforms being the Career Pathways plan, we wish to also thank the Mayor's Office of Workforce Development for their partnership and transparency in the preliminary implementation of this plan over the past year. Our testimony today highlights many of the issues that we have remained in active conversation with the Administration over and which place the City's workforce system in the larger context of adult learners and their needs.

For low-income adults and immigrants in New York, education is the key to securing employment and building a foothold in the job market, and workforce development programs that support the growth of an educated and skilled workforce are critical to creating and sustaining a thriving economy. A strong, equitable, and successful workforce system will thus be dependent on the strength of the greater literacy and basic education system. Parallel investments made to both systems equip adult learners with the foundational literacy and numeracy skills required for social navigation and success, as well as access to and success in workforce development programs.

Unfortunately, such parallel investments in the greater literacy system are a critical missing element and priority in the re-structuring of the City's workforce system. While we commend the City's plan to invest \$60 million in bridge programming by 2020, with over 1.7 million adult New Yorkers lacking English language proficiency, a high school diploma or its equivalent, or both, the vast majority of adult learners, particularly those in need of workforce development, are at the lowest literacy levels. For these individuals, bridge programming that integrates or contextualizes basic education to training or career pathway programs is still too advanced. Many individuals have such low literacy levels that they essentially need a "bridge to a bridge", which in practice exists as traditional basic education: English for Speakers of Other Languages (ESOL), Adult Basic Education, and High School Equivalency (HSE) preparation.

New York City's investment in such community-based adult literacy and traditional basic education services, a foundation for the success of the entire workforce system, is millions of dollars short of the level of investment made under the former administration. Despite a number of key council adult literacy initiatives being baselined in the City's FY15 budget, the



decision in FY16 to eliminate over \$6 million in adult literacy programming through DYCD and CUNY has been devastating to thousands of individuals. It is these exact programs that offer the critical on-ramp and “bridge to the bridge” that allow access to a workforce program to become a reality for a low level learner who needs either basic skills or English language acquisition. But this action eliminated the capacity of providers to serve over 6,300 immigrants and adult learners – at a time when wait lists for these classes is estimated to be at least 14,000—and many programs do not maintain wait lists (or cap them) to avoid perpetuating false hope.

With actions like this, New York City’s workforce system will remain at a critical crisis point and will exclude those most in need. Without English proficiency and access to basic skills, thousands of monolingual immigrants will still find themselves isolated and at the mercy of unscrupulous employers unable to better their workforce success and development. For all of the commendable strides made for the greater New York City workforce development system, without an intervention to better investments in adult literacy education, we run the risk of excluding over 25% of the City’s adult population and we threaten the success of the entire system.

Moving forward, we believe New York City must take a new, comprehensive and urgent approach to educating and building the skills of our low-income adults and immigrants, especially given that the new Workforce Innovation and Opportunity Act (WIOA) will likely make it harder to use federal pass-through funds to serve the undocumented and those with the lowest skills. We need to take a long-term view towards the education of the over 1.7 million New Yorkers lacking English proficiency and/or a high school diploma and a comprehensive view to the implications of state and federal laws that impact adult learners, immigrants, and others most likely to benefit from workforce programs.

We look forward to a renewed commitment from Council and the Administration to develop this vision and unlock the tremendous potential of these New Yorkers.

**New York City Council Economic Development & Small Business Committee
Preliminary Budget Hearing – January 27, 2016**

Good afternoon Chairmen Garodnick, Cornegy, Miller and Committee members. I am Marjorie Parker, Deputy Executive Director of JobsFirstNYC, a nonprofit intermediary focused on connecting young adults to the economic life of New York City. Thank you for the opportunity to address you today. I am going to talk about the state of out-of-school, out-of-work and underemployed young adults.

Employment in New York City is booming. Unemployment is significantly lower than it has been since 2008, the City is flush with new jobs, and we've seen wage increases of about 4 percent. However, one group of New Yorkers continues to miss out on this economic bounty, 18-to 24-year-olds who are out of school, out of work and underemployed. In 2014, we testified to this same committee about the 35 percent of young New Yorkers constituting this group.

The recommendations embodied in the **Career Pathways** report have potential for real progress toward creating a workforce system worthy of the City it serves. In 2014, JobsFirstNYC called for an integrated, comprehensive strategy to address the crisis of 18-to 24-year-old out-of-school, out-of-work and underemployed young adults through our policy paper, ***Unleashing the Economic Power of the 35 Percent***. The centerpiece is the creation of Youth Opportunity Centers in the communities where large numbers of the 35 Percent live. These centers will connect them to the educational, training, work experience and services that will ultimately qualify them for well-paying jobs. Similar Centers exist in cities like Los Angeles and Boston. In addition, we advocated for expansion of training programs to qualify young adults for in-demand occupations; the creation of industry partnerships to forge inroads to jobs; and the development of a virtual one-stop web portal with comprehensive information concerning potential careers, education and training sources, and descriptions of organizations that help young adults become gainfully employed.

We are happy to see that the City has made progress towards implementing some of our recommendations. However, the de Blasio administration continues to fail a population in great need of more intentional support. City plans have consistently lacked a bold, audacious initiative, similar to those put forth to address the crisis of childcare, homelessness and housing. A year ago, the City released its **Career Pathways** report and has now produced a **Progress Update** that in many ways reads like, "mission accomplished". However, if I were a young adult in neighborhoods like Mott Haven, Bedford Stuyvesant, or East New York, where rates of young adults who are out of school and not working are 30 percent and higher, I would probably ask the question, "*Mission accomplished for whom?*".

It is not enough for the de Blasio administration to say it is restructuring the public workforce system to align training with market demand, policies across agencies, as well as improve job quality, as **Career Pathways** and its subsequent **Progress Update** indicate that it's doing. It is not enough for a population that continues to be under-resourced and has spent 24 years already looking up at the first rung of an economic ladder and wondering, "*How can I get on?*". It is not enough for a population that the Mayor has all but ignored. JobsFirstNYC is calling on Mayor de Blasio to make a bold, audacious mayoral-level plan to address the crisis of out-of-school, out-of-work young adults. JP Morgan Chase & Co. through its **New Skills at Work** initiative and Howard Schultz/Starbucks through the **100,000 Opportunities** initiative serve as two good examples of philanthropy solutions that specifically take on the out of school, out of work crisis. We believe that the City of New York certainly can too.

At JobsFirstNYC, we are focused on advancing economic opportunity for all young New Yorkers. I hope that you will join me in supporting the adoption of specific measures that enable out of school, out of work young adults to be fully integrated into a growing healthy economy. Thank you.

18 NYC Communities with the Highest Number of Out-of-School, Out-of-Work 18- to 24-Year-Olds

Neighborhood	% OSOW	Number of OSOW	% of city's OSOW
Mott Haven/Hunts Point (BX)	38%	8,387	4.7%
East New York/Starrett City (BK)	36%	6,927	3.9%
Morrisania/East Tremont (BX)	28%	6,701	3.7%
Soundview/Parkchester (BX)	30%	5,988	3.3%
Bushwick (BK)	26%	5,218	2.9%
University Heights/Fordham (BX)	30%	5,019	2.8%
Bedford Stuyvesant (BK)	33%	4,982	2.8%
Washington Heights/Inwood (M)	19%	4,789	2.7%
Central Harlem (M)	33%	4,753	2.6%
Jamaica (Q)	20%	4,600	2.6%
Brownsville/Ocean Hill (BK)	33%	4,576	2.5%
Williamsbridge/Baychester (BX)	29%	4,572	2.5%
Flatbush (BK)	27%	4,551	2.5%
North Shore (SI)	23%	4,483	2.5%
Highbridge/South Concourse (BX)	28%	4,411	2.5%
East Harlem (M)	27%	4,250	2.4%
Bellerose/Rosedale (Q)	19%	4,052	2.4%
Kingsbridge Heights/Mosholu (BX)	28%	3,987	2.2%
Top 18 neighborhoods	28%	92,246	51.4%
Remaining New York City neighborhoods	16.5%	87,229	48.6%
NYC total	21%	179,475	100%

Key:

BK - Brooklyn

BX - Bronx

M - Manhattan

Q - Queens

SI - Staten Island

Source: Community Service Society analysis of the 2010-2012 U.S. Census Bureau American Community Survey data

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 11/29/16

(PLEASE PRINT)

Name: CHRISTIAN GONZÁLEZ-RIVERA

Address: 120 WALL ST., 20TH FL., NYC

I represent: CENTER FOR AN URBAN FUTURE

Address: 7-13 WASHINGTON Sq. N., NYC

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 11/27/16

(PLEASE PRINT)

Name: Margorie Parker

Address: 11 Park Place, New York, NY 10007

I represent: JobsFirstNYC

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 11/29/16

(PLEASE PRINT)

Name: Katy Gault-Shagge

Address: 253 Broadway

I represent: Office of Workdevelopment

Address: 253 Broadway

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☒ in favor ☐ in opposition

Date: 1/27/15

(PLEASE PRINT)

Name: Mary Ellen Clark

Address: 121 6th Ave. 6th Floor New York

I represent: NYC Employment and Training Coalition

Address: same

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. Workforce System Res. No. overhaul

☐ in favor ☐ in opposition

Date: 1/27/2016

(PLEASE PRINT)

Name: Betsy Plum

Address: 131 W 33rd St NY/NY

I represent: New York Immigration Coalition

Address: Same as above

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 1/27/16

(PLEASE PRINT)

Name: Sasha Kesler

Address: 130 E 59th NY NY

I represent: New York City Coalition for Adult Literacy

Address: _____

Please complete this card and return to the Sergeant-at-Arms