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|  | **The Council of the City of New York**  **Finance Division**  Latonia McKinney, Director  **Fiscal Impact Statement**  **Proposed Intro. No. 690-A**  **Committee:** Civil Rights |
| **Title:**  A Local Law in relation to establishing an employment discrimination testing program. | **Sponsors:** Mealy, Arroyo, Chin, Crowley, Lancman, Rose, Williams, Cabrera, King, Lander, Miller, Garodnick, and Constantinides, Van Bramer, Levine, and Barron. |

**Summary of Legislation**: This legislation would require the New York City Human Rights Commission (the “Commission”) to conduct no less than five investigations of employment discrimination over a period of one year. The Commission would be required to use pairs of testers to investigate local employers, labor organizations, and employment agencies. Investigations by the Commission would include matched pairs of testing where testers present similar credentials but differ based on one or more of the protected classes under the Human Rights Law, apply for, inquire about, or express interest in the same job. For example, two people that have the same credentials but differ in actual or perceived age, race, national origin, or gender. The first of these investigations would begin on or before October 1, 2015.

In addition, the legislation would require that by March 1, 2017, the Commission would submit to the speaker a report related to the employment investigations conducted pursuant to the law. Such report would include: (i) the number of matched pair tests completed; (ii) identification of the industry of the employer where each completed matched pair test was conducted; (iii) the protected class variable used in each matched pair test; (iv) the number of incidents of actual or perceived discrimination by protected class for each such investigation; and (v) a description of any incidents of discrimination detected in the course of such investigations, provided that the Commission would not be required to report information that would compromise any ongoing or prospective investigation or prosecution.

**Effective Date:** This local law would take effect immediately upon enactment.

**Fiscal Year In Which Full Fiscal Impact Anticipated:** 2016

**Fiscal Impact Statement:**

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|  | **Effective FY15** | **FY Succeeding**  **Effective FY16** | **Full Fiscal Impact FY16** |
| **Revenues (+)** | $0 | $0 | $0 |
| **Expenditures (-)** | $0 | $528,108 | $528,108 |
| **Net** | $0 | $528,108 | $528,108 |

**Impact on Revenues:** There would be no impact on revenues resulting from this legislation.

**Impact on Expenditures:** This legislation would require the Commission to establish an employment testing program, which the Commission currently does not have. In order to launch a testing program, the Commission would need to create a new investigation unit to conduct the testing. According to the Commission, the new investigation unit would require resources for both Personal Services (PS) and Other Than Personal Services (OTPS) so that the Commission can hire additional staff to facilitate both the testing program and the collection of data to be included in the annual report.

In total, the Commission would need $528,108 for five full-time and eight part-time staff and associated OTPS costs. The PS cost of $523,108 would be for one Assistant Commissioner to oversee the testing program and supervise the staff, three supervising investigators who would conduct investigations and train and supervise the part-time employees conducting the testing, eight part-time testers who would work 20 hours per week conducting the testing, and one Principal Administrative Associate to support the unit and to log and track data from each test. The OTPS component would include $5,000 annually for recording and other equipment. This estimate includes the cost of fringe benefits. At present, the Commission has only two human rights specialists that serve as investigators, but have several other duties at the Commission. The Council is considering a similar bill, Proposed Intro. 689-A, which requires the Commission to establish a housing discrimination testing program. The resources required to implement Proposed Intro. 690-A would also be used to comply with the requirements of 689-A.

**Source of Funds to Cover Estimated Costs:** General Fund

**Sources of Information:** New York City Commission on Human Rights

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Tanisha Edwards, Chief Counsel, Finance Division

**Legislative History:**  Intro. 690 was introduced by the Council on February 26, 2015 and referred to the Committee on Civil Rights. The Committee considered the legislation at a hearing on March 3, 2015 and the legislation was laid over. The legislation was subsequently amended and the amended version, Proposed Intro. No. 690-A, will be voted on by the Committee at a hearing on March 30, 2015. Upon successful vote of the Committee, Proposed Intro. 690-A will be submitted to the full Council for a vote on March 31, 2015.

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**Date Prepared:** March 30, 2015