

Legislative Report from the Commission on Skills Development and Career Education

New York State Assembly • Carl E. Heastie, Speaker • Harry B. Bronson, Chair

Dear Friend:

I am pleased to share with you an update on the accomplishments of the New York State Assembly's Commission on Skills Development and Career Education.

Throughout this past year, I focused the efforts of the Commission on improving workforce development and skills training in New York, including creating new apprenticeship programs, increasing funding for workforce training and improving the use of existing labor data to craft policy and better target taxpayer dollars. I also worked to improving transparency of workforce development funds so the public can see how their dollars are spent.

I was thrilled with the inclusion in this year's Enacted State Budget of the Empire State Apprenticeship Program (ESAP), a 5-year, \$50 million tax credit for businesses that hire and train apprentices, especially disadvantaged youth. I introduced and championed ESAP for two years, and I am now



working with the New York State Department of Labor, which will administer ESAP, to ensure this program is promoted and marketed throughout the state to a wide range of businesses. ESAP will help all types of employers – including manufacturers, health care providers and food processors – pay for training costs of employees and cultivate the skilled workforce they need to thrive. Apprentices will have the opportunity to learn marketable skills while they earn a living, and get on a solid career path.

I also introduced legislation that would increase funding for workforce training, require the state to use existing data to help connect job seekers with employment opportunities, enable high school students to learn about training opportunities, determine how effective workforce development efforts are performing, and make available to the public a full and detailed listing of all state and federal workforce development funding programs.

With the threat from Washington of severe cuts in workforce funding, I am looking for ways to increase state funding and to make the most of the dollars we dedicate to growing and training our workforce, and I welcome any and all ideas you may have.

Thank you for giving me the opportunity to serve you.

Sincerely yours,

Harry B. Bronson

Harry B. Bronson Assemblymember Chair, Commission on Skills Development and Career Education

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Empire State Apprenticeship Program (ESAP) Is Enacted:

New York State Budget Includes \$50 Million Tax Credit for Apprenticeships – A Program Assemblymember Bronson Introduced and Championed

Included in the Enacted 2017-18 New York State Budget is the Empire State Apprenticeship Program (ESAP), a \$50 million, 5-year tax credit for businesses that hire apprentices. I introduced the legislation that led to ESAP. The tax credit increases each year, and offers a higher amount if the apprentice is a disadvantaged youth and is assigned a mentor who helps them succeed in the program. ESAP will help businesses pay for a substantial portion of training costs, and it is supported by manufacturers statewide.

Frank Falatyn, President of Fala Technologies in Kingston, said, "This tax credit will really help small manufacturers like Fala train a new generation of workers. Fala has many skilled machinists who will want to be retiring the next few years. The Empire State Apprenticeship credit will make it easier for us to allow these high value workers to spend the time necessary to impart their knowledge to younger workers."

"The ESAP tax credit will add an important level of assistance to training manufacturing employees looking to gain new skills within the industry. The credit allows companies to fund courses and other dimensions of training that aid professional growth, while helping close the technological gap many organizations find challenging. This growth is vital for the success of manufacturing," said Jennifer Peck, Human Resources Manager, Berry Global.

Nicole Bryant, HR Manager of Giovanni Food Co., Inc. in Baldwinsville, NY: "This tax credit will really help small manufacturers like Giovanni continue to meet the growing demand of our customers by training a new generation of skilled workers. We are in need of skilled maintenance mechanics to help support our predicted growth in the upcoming years. A lack of such skilled labor will have a negative impact on our ability to meet the growth of our business . The Empire State Apprenticeship credit will make it easier for us to continue to educate and train employees enhancing their skills to meet this growing demand."

This legislation provides tax credits to employers in non-construction trades, giving preference to employers who hire and train disadvantaged youth as apprentices, are engaged in in-demand occupations or emerging industries, or have newly created apprenticeship programs.¹

Apprenticeships are a proven strategy for young adults to learn skills employers seek, starting in high school or after, to put them on a career path - More than 15 percent of 16-to-24-year-olds are unemployed and not in school, and lack the skills needed to fill middle-skills jobs (jobs

¹ EASP is now a component of the New York Youth Jobs Program (Formerly called the Urban Youth Jobs Program), which has not been fully utilized by employers to the extent of its annual appropriations, in part because employers sought larger tax credits and job training provisions. Under this legislation \$10 million of the \$50 million annually appropriated for New York Youth Jobs Program for the next five years will be allocated to ESAP.

requiring more than high school education, but less than a four-year degree). African American and Latino young adults face unemployment rates as high as 25 and 19 percent, respectively.

Apprenticeships can help New York train and place students in jobs that contribute to closing the middle skills gap so employers come to and stay in New York and contribute to our economy - The average age of highly skilled workers in manufacturing, which comprise more than 15,000 employers in New York, is 56 and almost half will be retiring in the near future. Most manufacturers are small- and medium-sized businesses, and are often unable to afford training apprentices.

Apprenticeships can help youth and adults who are living in poverty or are unemployed "earn while they learn" and find careers paying middle class salaries and providing benefits without taking on college debt. - More than 90 percent of apprentices find employment after completing their program, and the average wage for a fully proficient worker who completes an apprenticeship translates to approximately \$50,000 annually.

In summary, this program will:

Provide a multi-year and progressive base tax credit to employers for each apprentice with annual increases as the apprentice advances from "apprentice year" to "apprentice year" in his or her training, starting at \$2,000 a year and increasing an additional \$1,000 a year with a cap of \$6,000.

OR

Provide employers who hire and train disadvantaged youth with a multi-year, progressive tax credit starting at \$5,000 a year for a first-year apprentice, \$6,000 a year for a second-year apprentice and \$7,000 a year for a third-, fourth-, or fifth-year apprentice.

AND

 Provide an additional tax credit in the amount of \$500 a year when an employer (regardless of which of the above tax credits they receive) provides one-on-one, longterm mentoring for each apprentice to help them to complete the apprenticeship.



Press Conference announcing enactment of ESAP: Assembly Member Harry Bronson, along with other Assembly Members and representatives of the Young Invincibles and NYATEP.

Marketing and Promoting ESAP Statewide:

As the legislation requires the New York State Department of Labor (DOL) to market and promote this tax credit, I was able to sit down with DOL to understand the plans for guidelines development and marketing/promotion.

Guidelines for ESAP should be posted <u>online</u> by early fall, and DOL is in the process of producing a marketing package that will combine ESAP information with a federal expansion grant, and some discretionary WIOA funding.²

² Federal Apprenticeship Expansion Grant RFA: USDOL awarded NYSDOL a \$1.5 M grant to expand apprenticeship. Using this funding, along with additional WIOA funds, NYSDOL will make \$4.2 M available under this Request for Applications (RFA). Eight hundred (800) new apprentices (18 & over) with a focus on underrepresented populations are the target of this RFA. Up to \$5,000 per apprentice is available to cover costs associated with related instruction, on-the-job training, books, and tools. The RFA targets trades in high demand.

Making the Case for Apprenticeship

A policy discussion on the accessibility of apprenticeship in New York.

On September 14 in Syracuse, I participated in a panel discussion to examine existing barriers to becoming a sponsor of apprenticeships in New York State. I look forward to continuing the discussion with manufacturers and other business leaders about their experiences with apprenticeships and what may be preventing some from taking advantage of this successful training model. This feedback is vital as I develop additional legislative initiatives to ensure access to apprenticeship opportunities.

Pre-Apprenticeship and YouthBuild

This past legislative session, I had the great fortune of speaking at a YouthBuild rally held in Albany. YouthBuild is part of an international pre-apprenticeship program that has helped hundreds of youth, most of whom had dropped out of high school, and gave them the support they needed to finish their education and to gain work skills and experience. The YouthBuild in Rochester, NY helps young people complete their high school equivalency and earn a pre-apprenticeship training certificate through the Homebuilders Institute.

After they complete the program, YouthBuild will maintain their support for the following year, through bi-weekly meetings, phone calls, and additional assistance with employment and education. The significance of this kind of support, guidance and follow-through cannot be overstated.

This program makes sense and needs to be expanded. In most cases, YouthBuild helped its participants turn what could have been an insurmountable hurdle and made it a speed bump. It has made the difference in individual lives and in the economy as a whole. I have dedicated myself to building bridges that connect education with training and with jobs for youth and adults who are unemployed or underemployed. Programs like YouthBuild are important parts of this continuum, as they provide training programs preparing young adults with basic skills that can ultimately lead to apprenticeships or other meaningful jobs. I plan to seek ways to help fund and support more programs like YouthBuild statewide in the coming year.

Post-Session Discussion:

At a meeting I convened in June, state and federal data users and experts – including representatives of the State University of New York, the City University of New York, the New York Association of Training and Employment Professionals, the Center for an Urban Future, and the National Skills Coalition – confirmed the value of analyzing this data, and how it can help promote program improvement, economic development, policymaking, and student decision making. Participants also provided advice on how to amend the bill for the coming session, which I am now considering.

Legislation Introduced by Assembly Member Bronson

Catalogue of Workforce Development Funding

A1956/S3789

A bill I introduced this Session, which passed both the Assembly and Senate, would require the New York State Department of Labor to compile and report annually on state and federal workforce development program funding, and to make a full listing of programs available for public viewing online.

Because state- and federally-funded programs that provide dollars for workforce and skills development programming are spread out across many agencies and vary considerably in criteria and recipients, I decided it would be valuable to require the state to publish this information in one place, in simple language.

Strategic Investment in Workforce Development Program

A8107/S6356

Far too many jobs go unfilled in NY simply because there are not enough workers properly trained for them. This measure would ensure job seekers get the training and education employers are seeking so they could get and keep good-paying jobs.

Legislation I introduced, that passed the Assembly this session would help close a skills gap and increase job opportunities. The bill would establish a Strategic Investment in WFD program within the state Urban Development Corporation, which would identify the state's workforce needs and provide training and skills development. This helps unemployed and underemployed individuals find good-paying jobs while ensuring employers have access to skilled workers.

Clearinghouse for Workforce Data

A2164B/S5363

The state spends enormous amounts of money each year educating and training future workers through the Pre-K-12 public school system, public colleges and universities, and workforce development and adult literacy programs. Yet policymakers and the public have little idea which of these programs are effective and actually help participants get on career paths that lead to decent-paying jobs.

The Assembly passed legislation, which I introduced, that would establish three regional wage data clearinghouses to analyze and evaluate labor market data in New York State.³ Reports generated as required by this bill would ultimately help us see how state and federal workforce dollars are spent and which job training and education programs are helping people get and keep

³ This bill would build on a 2013 amendment to State Labor Law Section 537 to allow the New York State Department of Labor to share wage records with government agencies (including public universities) by significantly increasing the state's analytical capacity.

good-paying, long-term employment. Assessing wage data and workforce programs will ensure that taxpayers' money is spent wisely, while helping pinpoint how to strengthen workforce preparation.

This bill requires the State Department of Labor (DOL) to issue an RFP to form partnerships with three academic institutions located in distinct labor market areas in the north, west and downstate regions of the State, each with proven experience in analyzing labor market data, to establish research centers to serve as the State's clearinghouses for wage data.

Using this data could also help identify the career areas – for corporate positions, as well as for skilled labor – that are in need of quality workers, which could then inform the academic, career and educational programming colleges use to teach students to succeed in these particular fields.

Other Commission-Related Legislation Chair Bronson Introduced

Earned Income Tax Credit for Youth Workers

A2108/S3596

New York State tax law does not provide exemptions for young, independent adults, ages 17-24. This age group is often ignored and left out of exemptions. Our youngest population of adults deserves tax relief on the same level as the rest of our independent residents throughout the state.

It is in the best interest of the state to try to assist these independent young workers and students and encourage them to stay in the state to be contributing members to New York State's improvement initiatives and economic growth.

This legislation would provide an earned income tax credit to youth workers, increase the standard deduction for individuals ages 18 to 24, and provide for deduction of student loan interest.

SED Guidelines to Encourage Apprenticeship Participation A2128

Every year many jobs in New York go unfilled because of the lack of workers with the appropriate skills necessary to fill those jobs. Raising awareness about apprenticeship opportunities at the high school level allows students the chance to potentially participate in an apprenticeship and gain valuable work skills and life experience as they consider their future educational and/or work path beyond high school, and for businesses to fill middle-skill jobs that are needlessly left vacant.

This bill would require the New York State Education Department (SED) to develop guidelines for public schools to encourage participation in apprenticeships.

Require Establishment of a Statewide Online Learning Committee

A2265

Budget cuts have caused many school districts to face difficult decisions with respect to programming and services. Online and blended learning initiatives, however, offer the opportunity for students in our most rural districts to receive instruction on cutting-edge and innovative topics through a fiscally responsible medium. While New York is home to successful projects in online and blended learning, downstate and upstate, need a comprehensive, statewide program to encourage the delivery of services to all New York schools.

This legislation would establish an advisory committee, formed by the Commissioner of SED, NYSERDA, the Public Service Commission, and the Broadband Program Office, to be charged with making a statewide online and blended learning program.