

Governor Cuomo's State of the State

In the first week of 2020, while we were all reviewing posting requirements, policy updates, and year end data, the Governor's office was busy announcing a multitude of propositions for the coming year. While many do not directly pertain to the day to day concerns of Human Resources Professionals, the ripple effect will certainly be felt by us all. And of course, there are a handful of policy recommendations and propositions that will directly impact Human Resources. Ones that will have some of the most significant impacts will be explained, while some others will be briefly touched upon for consideration.

Establishing Sick leave for Working New Yorkers:

One of the most significant announcements made by Governor Cuomo in his State of the State Address was his goal to establish sick leave for all employees in New York. As New York City already has paid sick leave protections in place, and some counties downstate, Governor Cuomo is looking to establish statewide minimums on sick leave protections. This plan, however, is dependent upon the size of your organization:

4 or Fewer Employees- 5 days of job-protected unpaid sick leave every year

5-99 Employees- At least 5 days of job-protected paid sick leave per year

100+ Employees- At least 7 days of job-protected paid sick leave per year

As we look to see what further explanations will be given in the governor's proposal, the devil is in the details. Typically, in these situations, if an existing policy is equal to or greater than the minimum requirements, no changes will need to be made. However, to remain competitive, many employers may need to start considering expanding on PTO policies. Additionally, will general PTO pools properly accommodate the proposed policy? What implications could there be in an employee using a less stringent PTO policy up for a vacation, and then suddenly have no paid time, with job-protection when they are out sick? Will there be a probationary period an employee must wait before having the right to use such sick time? With as many questions still unanswered, this will definitely be a policy proposal to follow closely and start brainstorming as it further develops. This will have a very wide cast net, and affect many employers throughout the state, with the most significant impact on smaller business.

Protecting Gig Economy Workers:

The growing, and increasingly regulated gig economy has been quite a buzz lately. While many gig workers have benefited from the freedom, flexibility, and multitude of choices of gig work available, one of the biggest drawbacks to gig economy workers is the lack of benefits and protections that can be found in more stable, consistent employment. As such, everyone, including New York, is trying to catch up with the trends, and find ways to extend labor protections to gig workers. Unclear on what specifically the governor intends to do to expand on these protections, he has stated that he will introduce legislation to make sure all of New York's workers receive basic employee protection and access to critical safety nets.

Some major concerns that people have regarding this proposition stem from the outcome of increased regulations and the costs on these gig workers will have on their employers. The outcomes range from the loss of viable jobs and income in the state due to cost of doing business, and the effects it will have on independent contractors, and what further costs will be associated in utilizing their services in the workplace. Many fear that if regulations are increased on these gig workers in New York, it may further affect our draining population, and cause jobs to move to our bordering states.

Investing in Workforce Development:

The governor is seeking to upskill the work force in New York State by recommending a variety of different programs. One is establishing more Future of Work Centers, which will “partner with private sector, community organizations and SUNY/CUNY to create new short-term, non-degree credential and micro-credential programs to quickly address employer skill needs, both for existing workers as well as new workers.” Alongside these investments, the state is planning to invest \$14 Million more in Apprenticeship expansion. The governor stated he would rely on the expertise of the Department of Labor and Regional Economic Development Councils to make program decision. This shows New York’s dedication to apprenticeship programs, building on the Empire State Apprenticeship Tax Credit Program, and Apprenticeship Expansion Grants.

Tying in green initiatives and increased investments the governor has also announced plans to create an industry-driven green jobs training program. The proposals include investment in electrical vehicle training, the building of a clean energy worker pipeline, and existing worker training program. The costs of the increased training and pipeline building is expected to be at \$100 Million over the next 5 year. In addition to training on electric vehicles, the governor also proposed the Offshore Wind Training Institute through SUNY Farmingdale and Stonybrook, and the creation of a “Solar Energy Corps.” These all directly correlate to his effort to combat climate change by investing in electric transit systems, making New York “the hub of the U.S. Offshore Wind Industry,” and increased solar and wind energy storage capacity. Based on the desire to train employees for what will likely be massive undertakings, the governor’s office is looking to build more professions in the green energy sector.

Closer to home, the Governor also plans to open the state’s first Comprehensive Education and Training Center in Syracuse to meet STEM (Science, Technology, Engineering and Mathematics) job training needs. The multipurpose facility will house a regional high school and a worker training and apprenticeship program administered by SUNY Empire State College and in partnership with other local colleges and universities.

Medical Proposals:

After many have made their health insurance decisions for the 2020 open enrollment, the governor addressed price control and transparency measure that he intends to implement throughout the state in the coming year. As high deductible plans are growing in New York state, the governor intends to introduce a three-point plan to lower prescription drug costs throughout the state. Primarily, the governor intends to limit the co-payment cost of insulin to \$100 for a one-month supply. Preventing drug cost hikes in the future, the governor’s two other points include researching the importation of drugs from Canada and granting the Department of Financial Services additional authority to investigate spikes in drug costs. Should the plan to import drugs from Canada prove viable, and economically

efficient, and the Department of Financial Services be able to prevent unnecessary drug price hikes, the increasing disparity in the affordability in high deductible plans could be more easily curbed.

Additionally, the governor's office also intends to increase transparency in medical costs by creating a "consumer-friendly, one-stop website, called NYHealthcareCompare." The website will act essential as a medical Yelp review, where cost information, quality information and statistics, as well as educational resources will be readily available. Also built into the website will be laws and programs to help New Yorkers with medical bills, insurance complaints, hospital complaints, and practitioner/provider complaints. Altogether, these should allow for employees to have a more in depth understanding of their medical costs, allowing them to better plan and prepare financially, as well as prevent unnecessary charges.

Conclusion:

In addition to all of these proposals, the governor of course is looking to move ahead with cannabis legislation, to legalize recreational use within the state, which has long been foreseen. However, it is not the first time it has been on his agenda, so, we will have to wait and see what actually comes of it this year. Explained above are only a handful of the many proposals that the Governor Cuomo has intended to carry out in 2020, so it is unclear which of these policies will actually make the cut, and which will take the backburner, as the cannabis legislation has. Additionally, considering so many of these policies are intertwined, or dependent on exploratory committees, some of these policies may be ruled out before formal legislation is even drafted. Overall, the governor's office is looking to support and bolster the workforce in New York, and their rights, while increasing business oversight and mandates. Undoubtedly, there is a wide variety of proposed legislation to follow, and deeply felt impacts to consider as the year progresses.