

Commentary/Op-Ed - January 2019

# 15 Ideas for Expanding Economic Opportunity in New York in 2019

New York's State Legislature has passed major new legislation in the first days of 2019, beginning the year on a high note. Now lawmakers have an opportunity to take similarly bold steps to reduce income inequality statewide to help thousands more New Yorkers build the skills and educational credentials needed to get ahead in today's economy.

by Jonathan Bowles and Eli Dvorkin

New York's Legislature has been on a tear in the first days of 2019, passing the DREAM Act to help undocumented students pay for college, prohibiting discrimination on the basis of gender identity, and overhauling the state's antiquated election laws. Now lawmakers have an opportunity to take similarly bold steps to reduce income inequality statewide.

It's time to build on early momentum and help lift more New Yorkers into the middle class. To do so, the Center for an Urban Future (CUF) has laid out 15 proposals that the state Legislature can implement this year to help thousands more New Yorkers build the skills and educational credentials needed to get ahead in today's economy.

Read the commentary on Gotham Gazette.

#### 1. Double the number of apprenticeships statewide

Research shows that apprenticeships are among the most successful strategies for lifting low-income residents into the middle class, allowing participants to earn a living while learning on the job. But with a workforce of more than 8.2 million and just 17,000 apprentices, New York has an enormous opportunity to expand this model into fast-growing industries from healthcare and tech to hospitality and green energy. The Legislature should pass legislation supporting this goal, which Governor Cuomo proposed in his 2019 agenda, and allocate funding to expand apprenticeship programs statewide.

## 2. Boost the number of college graduates by creating a Student Success Fund

A college credential has become the floor to accessing a well-paying job in today's economy, but college completion rates are alarmingly low among the state's community colleges. Only 26 percent of SUNY community college students graduate in three years, and at CUNY community colleges that rate is just 22 percent. New York should create a statewide Student

Success Fund to implement and expand evidence-backed programs that boost student success at SUNY and CUNY community colleges. This fund could be used to lower the ratio of college advisors to students, expand highly successful initiatives like CUNY's Accelerated Study in Associate Programs (ASAP), and support the development of corequisite instruction models that help underprepared students succeed.

## 3. Establish the nation's first Automation Preparation Plan

Automation and artificial intelligence will likely displace thousands of jobs across the state and transform millions more.CUF's research suggests that 1.2 million jobs statewide could be largely automated using technology that exists today, with lasting consequences for workers in every corner of the state. New York should get ahead of this by launching the nation's first Automation Preparation Plan, which would include new investments that upskill workers in fields that are most at risk of displacement, provide new opportunities for New Yorkers to pursue lifelong learning, and retrain workers whose jobs are eliminated.

# 4. Tweak the Excelsior Scholarship to benefit more students

New York's Excelsior Scholarship helps make college affordable for more families, but a few strategic tweaks would ensure that many more New Yorkers can take advantage of this promising—but far too limited—scholarship program. In the program's first year, only 3.2 percent of the 633,543 undergraduates statewide received an award from the Excelsior program. The Legislature should enact reforms to reduce the program's credit requirement to equal a regular full-time courseload, support summer enrollment to help students progress more quickly, and add funding to cover more non-tuition financial barriers that otherwise derail low-income students from the path to graduation.

#### 5. Develop a statewide workforce development plan

New York lacks enough skilled talent to meet the current and future needs of the labor market. At the same time, hundredsof thousands of New Yorkers could benefit from new skills and credentials that can help them get ahead in a fast-changing economy. To meet these growing needs, New York needs to develop its first statewide workforce development plan. The Legislature can support this goal by directing the state's new Office of Workforce Development and every state agency with a role in the system to work together on developing a fully integrated plan that leverages shared resources, connects services, and establishes clear outcome measures.

#### 6. Expand bridge programs to boost skills while preparing New Yorkers for jobs

Governor Cuomo and the Legislature passed a historic \$175 million investment in workforce development last year, whichwill help thousands of New Yorkers train for jobs. But for millions of New Yorkers who lack math and literacy skills, gaining entry to effective workforce programs will first require boosting their basic skills. That's what bridge programs do best: help adults with limited formal education acquire the skills they need to transition into training and higher education. Legislators should increase support for this highly effective approach and ensure that programs using the bridge model are available to workers statewide.

# 7. Fix TAP to make college affordable for part-time students

Part-time students now account for 43 percent of all students enrolled in community colleges statewide—up from 32 percent in 1980—but the state's Tuition Assistance Program (TAP) is almost exclusively available to full-time students. This hurts New Yorkers from low- and moderate-income communities who understand the importance of a college credential but can only afford to attend school on a part-time basis. To help more working New Yorkers pay for college, legislators should lift restrictions on the state's current part-time TAP program and make college affordable for part-time students, too.

#### 8. Build a statewide hub for labor market data to improve workforce programs

To make the most of New York's vital new investments in workforce development, the Legislature should mandate the creation of a publicly-accessible labor-market information tool, managed by the Office of Workforce Development. This tool will help inform workforce development providers, employers, and job-seekers, and ensure that state-funded programs are

more responsive to the needs of employers and more effective for their participants.

#### 9. Revise seat-time requirements so students can learn through hands-on experience

Innovative high schools across the country are getting students out of the classroom and into the real world, whether through apprenticeships, career-exploration programs, or internships in fast-growing industries like tech and healthcare. But New York is restricted in its ability to cultivate hands-on programs for high school students by long-standing "seat-time" requirements, which typically require students to spend 90 percent of their days in class. New York can spark new approaches to hands-on learning by rolling back these requirements and replacing them with proficiency-based credits.

#### 10. Create new challenge grants to incentivize remedial education reform at New York's public colleges

Each year, thousands of students are placed into remedial education at SUNY and CUNY colleges, with serious consequences for their academic and economic futures. These students typically use up their financial aid without earning college credit and the vast majority drop out without a degree. Research shows that many underprepared students can succeed in alternatives to traditional remediation—and both SUNY and CUNY have new programs that are working. But to incentivize these reforms at scale, New York should create new time-limited challenge grants to spur every campus to reform remedial education.

#### 11. Increase funding for adult education for the first time in decades

More than 1.5 million adults in New York lack a high school diploma or equivalent, and 2.3 million are less than proficient in English. For these New Yorkers, adult education programs can provide a critical link to effective job training, educational opportunities, and better wages. But New York's primary funding source for adult education, the Employment Preparation Education (EPE) program, has plunged 36 percent since 1996, after adjusting for inflation. The Legislature should reverse this alarming trend with a new investment in adult education.

# 12. Invest in high school equivalency preparation and bring adult education into the 21st century by computerizing TASC test centers

Too few New Yorkers are taking and passing the state's high school equivalency exam, known as the TASC. The number of residents earning a credential has fallen by nearly half since 2010, and New York is tied for the lowest pass rate in the nation. To help more New Yorkers get a foothold in a changing economy, New York needs to significantly boost high school equivalency attainment statewide. The Legislature can help ensure more New Yorkers pass the test by increasing funding for test preparation, accelerating the development of computer-based testing centers, and expanding professional development to train instructors.

#### 13. Launch a statewide Career Pathways fund to spur new education and training programs

The state's fragmented funding system for workforce development makes it difficult to develop workforce programs that meet the full scope of needs statewide. As part of a broader effort to create a cohesive statewide workforce development plan, the Legislature should launch a Career Pathways funding application that supports activities across the full spectrum of workforce programs, including innovative bridge models, pre-apprenticeships, initiatives focused on youth and older adults, and other important programs that could otherwise be left behind.

# 14. Encourage low-income New Yorkers to save by nixing asset limits for assistance programs

Federal programs intended to combat poverty, like Temporary Assistance for Needy Families (TANF) and the Low-Income Home Energy Assistance Program (LIHEAP), are a vital source of support for New York's low-income families. But a little-known state rule restricts families who receive public benefits to just \$2,000 in savings or assets. The result is that low-income families are penalized for saving. The Legislature should follow the lead of states ranging from Hawaii to Alabama to eliminate this rule and help more New Yorkers get on the path to financial stability.

#### 15. Fulfill cost-of-living adjustments for human services organizations with state contracts

Critical but often overlooked, New York's human services organizations provide the foundation of support required to help

New Yorkers on the path to economic opportunity. But these organizations themselves face significant financial burdens, including government contracts that fail to cover the true cost of services. To strengthen New York's vital human services sector, state legislators should reinstate the statutory human services workforce cost-of-living adjustment—providing salary bumps to workers who have gone nine years without an increase—and continue to include \$100 million in capital funding for nonprofit infrastructure.

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Center for an Urban Future (CUF) is an independent, nonprofit think tank that generates innovative policies to create jobs, reduce inequality and help lower income New Yorkers climb into the middle class. For 22 years, CUF has published accessible, data-driven reports on ways to grow and diversify the economy and expand opportunity that are anchored in rigorous research, not preconceived notions about outcome. Our work has been a powerful catalyst for policy change in New York City and serves as an invaluable resource for government officials, community groups, nonprofit practitioners and business leaders as they advocate for and implement policies to address some of New York's biggest challenges and opportunities.

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