

#### **Testimony of FPWA**

Presented to: **New York City Council Committee on Civil and Human Rights Oversight Hearing on Discrimination in the Workplace** Hon. Chair Nantasha Williams December 12, 2024

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We are grateful to Chair Nantasha Williams and the New York City Council Committee on Civil and Human Rights for holding this oversight hearing on discrimination in the workplace, and for the opportunity to provide written comments on behalf of FPWA (Federation of Protestant Welfare Agencies).

FPWA is an anti-poverty policy and advocacy organization committed to advancing economic opportunity, justice, and upward mobility for New Yorkers with low incomes. Since 1922, FPWA has driven groundbreaking policy reforms to better serve those in need. We work to dismantle the systemic barriers that impede economic security and well-being, and strengthen the capacity of human services agencies and faith organizations so New Yorkers with lower incomes can thrive and live with dignity.

### The successful administration of human rights and worker protection laws is necessary to protect economic security

Discrimination in the workforce is an economic security issue because employment discrimination is costly<sup>1</sup> to workers. It undermines career trajectories due to lack of promotions, loss of wages, job turnover, and the adverse physical and mental health outcomes associated with employment discrimination. It also prevents workers from building essential wealth, or the wealth necessary to be financially secure today, save for the future, and address an unexpected crisis.

Currently, FPWA is engaged in on-going research and advocacy concerning the impacts of discriminatory workplace behaviors on the lives of New Yorkers, including occupational segregation (overrepresentation and underrepresentation of specific demographics in labor sectors), wage deprivation (intersecting wage-related harms such as wage suppression, wage theft, and the perpetuation of wage gaps), and job quality (including access to benefits, scheduling, and workplace safety, among other features of employment). We are thankful that the New York City Commission on Human Rights (CCHR) and the New York City Department of Consumer and Worker Protection (DCWP) provide redress for those experiencing discrimination in employment.

The recognition of protected classes such as race, gender, sexual orientation, or immigration status is essential to addressing systemic harms of occupational segregation, wage deprivation, and poor job quality. Low-wealth workers who are often crowded into low-income professions, face tremendous challenges to assert their civil rights or to change employment. Low-wealth workers would benefit from the recognition of socioeconomic class as a protected class under the New York City Human Rights law (NYCHRL). Advancing justice for those negatively impacted by occupational segregation, wage deprivation, and low-job quality is necessary to ensure that all New Yorkers can create essential wealth. City government must sufficiently fund CCHR and DCWP to address employment discrimination issues in New York City.

## NYC must increase funding for CCHR and DCWP to support the administration of anti-discrimination employment law

CCHR needs increased funding to enforce anti-discrimination employment law. Underfunding has severely hampered CCHR and threatens to undermine its important work.

 $<sup>{}^{1}\,\</sup>underline{\text{https://equitablegrowth.org/the-importance-of-anti-discrimination-enforcement-for-a-fair-and-equitable-u-s-labor-market-and-broadly-shared-economic-}$ 

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NYCHRL, administered by CCHR, prohibits many forms of discrimination, including discrimination in employment, and creates civil enforcement mechanisms for those seeking to address the violation of their rights. It also provides resources to educate New Yorkers about their civil rights. This law is comprehensive, including a more expansive list<sup>2</sup> of protected classes than comparable civil rights laws at the state and federal level, and serving as a model for other jurisdictions. We commend city government for routinely reviewing and expanding the list of protected classes, and modeling, for other jurisdictions, both a proactive and reactive approach to protecting the civil rights of constituents. However, the underfunding of CCHR prevents the agency from addressing all the complaints it receives in a timely manner.

FPWA's NYC Funds Tracker<sup>3</sup> shows that funding to CCHR and DCWP has fluctuated in recent years but has declined in the last few budget cycles. <sup>4</sup> Between FY20 and FY23 the budget for CCHR increased from \$14,158,000 to \$15,207,000 but fell to \$13,847,000 in FY25. Between FY20 and FY23, the budget for DCWP rose from \$39,390,000 to \$64,458,000 but fell to \$59,796,000 in FY25. The decreasing budgets are concerning, particularly in the case of CCHR, whose current funding levels are far too low to meet its mandate.

We are heartened to see that Chair Nantasha Williams introduced a bill (Intro 1137) concerning the budgets of CCHR and DCWP last week and look forward to discussing it at a future hearing, because the underfunding of CCHR and DCWP impacts the agencies' performance. In FY24 40% of CCHR cases were administratively closed, down from 42% in FY23 and 56% in FY22. While this number is trending in the right direction, it is alarming that an agency tasked with protecting the civil rights of New Yorkers is administratively closing so many cases instead of deciding the cases on the merits. <sup>5</sup> In CCHR's most recent Mayor's Management Report (MMR), the agency noted a desire to increase testing for attempted NYCHRL violations in employment, housing, and disability accommodations. Unfortunately, between FY23 and FY24 the number of tests conducted by CCHR decreased from 1,433 to 1,303. Testing is an important part of collecting evidence of discrimination and deterring employers from discriminating against employees. The underfunding of CCHR's budget is also detrimental to CCHR staff and can create burnout.

In addition to CCHR, DCWP enforces many labor protections<sup>6</sup> for workers. According to DCWP's 2024 MMR<sup>7</sup>, the number of worker protection complaints to the DCWP Office of Labor Policy & Standards (OLPS), which enforces labor protections, increased from 439 in FY23 to 1,581 in FY24, partly due to a new complaint filing portal DCWP launched in May 2023, and implementation of the app-based restaurant delivery worker minimum pay rule. We are grateful that DCWP continues to innovate its services and implement new laws under its purview. DCWP also has a mandate to educate, partly through the Office of Financial Empowerment (OFE), which supports low-income New Yorkers to build assets and improve their financial health. OFE increased their financial counseling clientele from 8,829 clients in FY23 to 11,622 in FY24. This agency also refers cases to other agencies with enforcement powers in anti-

<sup>&</sup>lt;sup>2</sup> https://www.nyc.gov/site/cchr/law/the-law.page

<sup>&</sup>lt;sup>3</sup> https://www.fpwa.org/nycfundstracker/#Dashboard

<sup>&</sup>lt;sup>4</sup> https://www.fpwa.org/nycfundstracker/#Dashboard

<sup>&</sup>lt;sup>5</sup> https://www.nyc.gov/assets/operations/downloads/pdf/mmr2024/cchr.pdf

<sup>&</sup>lt;sup>6</sup> https://www.nyc.gov/site/dca/workers/workersrights/know-your-worker-

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<sup>&</sup>lt;sup>7</sup> https://www.nyc.gov/assets/operations/downloads/pdf/mmr2024/dcwp.pdf

discrimination employment law, such as CCHR. Funding for this agency is also vital to protecting New Yorkers against employment discrimination, and in the next few years the expansion of the capacity of this agency and all agencies that address labor issues will become more important.

#### Funding for CCHR and DCWP will be even more vital for workers if the EEOC rolls back protections

We commend the Committee on Civil and Human Rights for this hearing's timeliness following the 2024 election cycle, which has raised new concerns about federal civil rights protections. During the first Trump Administration, the Department of Justice (DOJ) took opposing stances from the U.S. Equal Employment Opportunity Commission (EEOC) on several workplace discrimination issues. This includes a federal case concerning whether gender identity is covered under Title VII of the 1964 Civil Rights Act, and DOJ indicating it would not enforce EEOC's guidance concerning discrimination on the basis of criminal history.<sup>89</sup> If something similar happens during a second Trump Administration, the implementation of the Fair Chance Act<sup>1011</sup> by CCHR, which makes it illegal for most employers in New York City to ask about the criminal records of job applicants, will be even more crucial for New Yorkers.

During the first Trump Administration, there was a sharp decline in the number of cases pursued by EEOC, after the administration appointed a new EEOC Chair in 2019. <sup>12</sup> While the work of CCHR and DCWP is always urgent, the urgency has increased, as New Yorkers cannot afford a budget issue to stand between them and possibly their only forums for asserting many of their civil rights. City government must be accountable to its constituents. In this moment, recognizing a potential increased need for the services of CCHR and DCWP, city government must act to increase funding.

# We urge City Council to pass the bills being considered in this hearing and urge the city to increase funding to CCHR and DCWP to support administration

As we have stated, CCHR and DCWP are vital to the administration of civil and human rights law. While we are supportive of these bills, and believe they will positively impact New Yorkers, we must stress that sufficient funding of these agencies is necessary to administer new laws along with their existing responsibilities.

We urge City Council to pass Intro 0808 clarifying the pay and compensation information required for job postings and requiring employers to document and retain records of deviations from the posted salary range. This law would empower workers as they seek employment to have the information necessary to make financially sound decisions for themselves and their families and preserve evidence of potential violations by employers.

This bill along with Intro 0982 setting reporting requirements to DCWP for employers with more than 25 employees and aimed at increasing wage transparency, and Intro 0984 requiring the Office of Data Analytics (MODA), DCWP, and CCHR, to conduct an annual pay and employment equity study on private

<sup>&</sup>lt;sup>8</sup> https://news.bloomberglaw.com/daily-labor-report/biden-era-workplace-bias-policies-under-threat-with-trump-doj

<sup>&</sup>lt;sup>9</sup> https://news.bloomberglaw.com/daily-labor-report/biden-era-workplace-bias-policies-under-threat-with-trump-doj

<sup>&</sup>lt;sup>10</sup> https://www.nyc.gov/site/cchr/law/fair-chance-law.page

<sup>11</sup> https://www.nyc.gov/site/cchr/law/fair-chance-law.page

<sup>12</sup> https://www.thenation.com/article/society/janet-dhillon-eeoc/

employers with 150 or more employees, will aid in the advancement of fair wages for workers both individually and systemically.

We also urge City Council to pass Intro 1064 requiring notification to employees of job opportunities prior to selecting a candidate for the role and providing current employees with information about the selected candidate for employers with more than 100 employees. This will both empower employees to seek promotions and potentially help them work towards promotion, and help employees retain information necessary to prove discrimination when applicable.

Finally, we urge City Council to pass Intro 0871 which extends the right to reasonable workplace accommodations to caregivers, as defined in the NYCHRL. Extending these accommodations to caregivers ensures that caregivers are not excluded from the workplace protections that New York City has for those with disabilities.

Thank you for the opportunity to submit testimony to this hearing. At FPWA we are invested in both preventing employment discrimination and advancing justice for those who face it. CCHR and DCWP serve important roles in the protection the civil rights and the economic security of New Yorkers. We look forward to continuing to work with the City Council to champion funding for these vital agencies and support the essential work highlighted in these bills.