

GOVERNOR HOCHUL ANNOUNCES CREATION OF THE NEW YORK STATE OFFICE OF STRATEGIC WORKFORCE DEVELOPMENT

New Office Will Target State's Workforce Development Efforts Toward Regional Businesses' Needs and Workers' Long-Term Success

Office Will Lead Broader \$350 Million Workforce Development Initiative Approved in FY 2023 Budget, Including New Grant Programs That Will Primarily Support Employer-Driven, High-Skilled Workforce Training Programs

Input from Businesses in New [Survey](#) Will Inform Demand-Driven Workforce Development Model

Governor Kathy Hochul today announced the creation of the New York State Office of Strategic Workforce Development, which will be charged with improving the State's workforce development programs and practices to better align with the needs and priorities of today's employers. The Governor first proposed the new office in her State of the State address earlier this year and committed funding that was approved in the FY2023 budget. Governor Hochul is delivering on her commitment to strengthen the skills and talents of New York's workforce and help grow the economy. The \$350 million investment in state funding will support wide-reaching, historic and coordinated investment in workforce development across state agencies and authorities and includes \$150 million in multi-year funding for new grant programs that will primarily support employer-driven, high skilled workforce training programs.

"New Yorkers are still struggling to find work and opportunity due to the economic disruption of the pandemic," **Governor Hochul said.** "This issue is personal to me - I've seen steel plants close leaving workers with nowhere to go. With our brand new Office of Strategic Workforce Development, we are doubling down on our commitment to help train and connect New Yorkers with the good-paying jobs of the future."

Empire State Development Acting Commissioner and President and CEO-designate Hope Knight said, "The new Office of Strategic Workforce Development will optimize ESD's relationships with the state's industries and employers to generate new opportunities for New Yorkers and encourage regional economic growth. Together with our State University system and our agency partners, we can provide businesses with a talent pipeline to catalyze new investments throughout the state."

The Office of Strategic Workforce Development will function under Empire State Development (ESD), marking a decisive change in workforce development policy to one that is laser-focused on supporting the labor needs of the state's highest-growth sectors while producing new economic opportunity for un/underemployed and underrepresented workers. ESD will manage the Office in close coordination with agency partners, including the Department of Labor, the State University of New York, and the City University of New York, among others with significant expertise in and a track record of delivering successful workforce training programs. The Office will leverage ESD's relationships with employers throughout the state and its standing as a trusted partner in the business community to help identify employer needs early and train New Yorkers to meet those needs.

To launch this effort, New York State - in partnership with the Business Council of New York State - has developed a comprehensive online [survey](#) to solicit vital feedback from businesses on the skills required for workers to be successful in today's complex economy, and how New York can prepare and position its labor force to better serve companies' needs. This demand-driven approach will ensure that New York has access to real-time feedback on in-demand jobs and skills to inform its statewide and regional workforce development efforts.

Critically, ESD will work hand-in-hand with the state's 10 Regional Economic Development Councils, which will engage with local stakeholders and help to identify specific skills and industries to prioritize in each region in the post-pandemic economy. The Regional Councils' local expertise will help ensure each region's workforce training programs are aware of current and evolving employer needs and allow local training providers to better align their programs to these priorities.

In addition to promoting an industry-driven strategy, ESD will also introduce and administer \$150 million in new programs, aimed primarily at meeting high-skilled employer needs to fill in-demand jobs and complement the State's existing workforce development efforts. This programming will include performance-based grants for workforce training providers that successfully place trainees in quality jobs, flexible operating funds to help providers cover the costs of program administration, and capital funding to allow providers to make essential capital purchases and/or upgrades to their training facilities. To ensure flexibility to meet changing needs, funding will be available on a real-time, continual basis to generate a pipeline of new workers for regionally-significant industries. As these new programs are expected to launch later this year, the Office will also establish and maintain metrics for tracking the implementation and success of the programs.

ESD is currently conducting a comprehensive [search](#) for Office personnel to implement and lead the State's ambitious efforts.

New York State Department of Labor Commissioner Roberta Reardon said, "The New York State economy is moving forward and businesses need a skilled workforce to keep that strong momentum going. NYS DOL regularly conducts surveys of businesses statewide to gauge their needs and support their success. From registered apprenticeships and highly successful job fairs to online upskilling opportunities via Coursera, and many other resources, the New York State Department of Labor is here to ensure that New Yorkers statewide receive the quality training they need to truly meet business needs and succeed in our robust economy. Our collaboration with the Office of Strategic Workforce Development and other agencies, will grow great opportunities for New Yorkers in every region of the state."

SUNY Interim Chancellor Deborah F. Stanley said, "Public higher education has long since been the backbone of the New York State workforce, training the next generation of engineers, artists, nurses, and critical thinkers of every field. There is a demand for highly skilled workers across the country, and through SUNY's educational opportunity centers and 64 campuses across the state, we are retraining and upskilling New Yorkers, leading them to rewarding jobs. I applaud Governor Kathy Hochul for building on the state's workforce development strategy, dedicating resources, and being the catalyst for future private and public partnership to meet the demands of the new workforce landscape. I look

forward to working closely with Empire State Development to help New Yorkers achieve their dreams."

CUNY Chancellor Félix V. Matos Rodríguez said, "New York's post-pandemic economic recovery is dependent on workers who have the specialized skills and preparation to meet the needs of employers in emerging industries and in-demand fields. This initiative will provide invaluable career and workforce development opportunities for CUNY students, allowing them to pursue meaningful, lucrative careers in sectors with the highest demand. We thank Governor Hochul for her demonstrated commitment to CUNY, and we will be pleased to partner with the newly established Office of Strategic Workforce Development to support and help drive New York's sustained economic growth."

State Senator Anna M. Kaplan said, "The success of our economic recovery depends on our ability to meet the needs of employers with a local workforce that's prepared for the jobs of today and tomorrow. Meeting those needs requires a focused and well-coordinated approach to workforce development that finally we will have in New York State under the new Office of Strategic Workforce Development. I'm grateful for Governor Hochul's leadership in proposing this vital effort, and I'm proud to have supported this new initiative as part of the State budget."

Assemblymember Harry Bronson said, "Workforce development is economic development. This is more than just a philosophy and I am proud the State of New York has committed its resources to creating the Office of Strategic Workforce Development. As we continue to recover from the COVID-19 pandemic we cannot forget the workforce that saw us through the early days of the pandemic. Workers all across this state kept essential services running and sacrificed for our communities. It quickly became clear a well prepared workforce was our best line of defense against COVID-19 and that strategic investments in our workforce was long overdue. Moving forward this new office will help to connect workforce development programs and new emerging industries across our state. I have long been a proponent of this model, and I thank Governor Hochul for this innovative approach as we push for an inclusive and equitable recovery for the families of New York State."

Heather Briccetti, Esq., President & CEO of The Business Council of New York

State, said, "We commend Governor Hochul on overhauling the state's approach to workforce development to begin with business and industry, and focus on regional- and sector-based workforce solutions for state businesses. The new Office of Strategic Workforce Development will address the growing gap between available jobs and skilled workers, while creating a dynamic workforce skilled for growing industries in the State, and with promising career pathways."