

Testimony of Michael Volforte, Director Office of Employee Relations

February 26, 2025

Good afternoon Chair Krueger, Chair Pretlow, other respected Chairs and honorable members of the Assembly and Senate. My name is Michael Volforte and I am the Director of the New York State Office of Employee Relations. Thank you for the opportunity to speak to you about Governor Hochul's Executive Budget proposal for Fiscal Year 2026 as it relates to our agency and the State workforce.

Over the past year, we successfully negotiated four collective bargaining agreements covering employees represented by NYSCOPBA, PBANYS, Council 82 and the PBA of NYS Troopers. All of these agreements contained compensation increases in each year of the agreement and introduced cost-saving measures that preserve health benefits while helping to control the growth of costs borne by both employees and the State.

As was true with the agreements we reached in 2023, all the agreements we reached in 2024 included Paid Parental Leave. This leave provides 12 weeks of leave at full pay for bonding with a child after the birth, adoption, or foster care placement. This benefit provides much needed time for new parents to bond with new family members without having to make undue financial sacrifices.

Negotiations continue with two unions with expired agreements. Our approach in negotiations will remain consistent with the Governor's message of being fair to employees and ensuring that state agencies are positioned to deliver outstanding service to New Yorkers.

Last year, in addition to negotiating fair contracts, OER undertook several additional initiatives consistent with the Governor's focus on making life affordable for New York State government's hard-working employees and their families.

Under the Governor's direction after the legislature passed legislation authorizing it, we eliminated the five-day salary deferral program for most new employees. OER also executed an awareness campaign to highlight the benefits of the Public Service Loan Forgiveness Program to our eligible employees and encourage them to reduce the burden of repaying student loans. This included social media campaigns and directions to agencies on how to integrate the PSLF into their intranet sites and on-boarding materials for employees.

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OER significantly increased the annual cap on tuition reimbursement programs available to our executive branch employees in multiple bargaining units. This helps make it more affordable for our employees to take the initiative to upgrade their skills and open the door to new professional opportunities. In many bargaining units, employees can be reimbursed for up to \$5,000 of qualifying tuition expenses in calendar year 2025, with additional money available for certain employee groups such as registered nurses.

We also expanded the availability of programs that offset some of the cost borne by employees to renew licenses required to perform their jobs.

In the coming year, we are excited to continue our pursuit of initiatives consistent with the Governor's emphasis on making life more affordable for working families. Under the Governor's leadership we have worked extensively with the Office of the State Comptroller and the Division of the Budget to develop the voluntary payroll advance for new executive branch employees that is reflected in this year's budget proposal. This implements the Governor's direction that we mitigate the effect of the lag payroll on new employees and does so in a way that minimizes administrative costs and disruptions.

We are actively preparing for our next round of bargaining with employee unions whose agreements expire in early 2026. The Governor has directed my Office to focus on developing proposals that will further our emphasis on affordability while ensuring that the State has the operational flexibility it needs to efficiently deliver services to all New Yorkers.

OER will also engage our union partners in a dialog about modernizing our Employee Assistance Program (EAP) and expanding its focus on both the mental health and physical well-being of our employees. The Governor believes there are significant opportunities to work within already negotiated labor-management funding levels to increase the value of EAP for employees, and we are enthusiastic about pursuing her vision.

Consistent with the Governor's State of the State message and our requested budget, our Office will once again take the lead on providing additional diversity, equity and inclusion training for the State workforce to foster a work environment of inclusivity and continue to

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move New York forward as an employer of first choice. This year, in collaboration with the State's Chief Diversity Officer, OER will roll out video-based training on workplace accessibility issues. This follows out successful November 2024 event wherein we convened leadership from all executive branch agencies to highlight the importance of making our state workplaces accessible to all New Yorkers.

As you all know, our office offers a number of pre-tax programs for State employees that saves employees by using pre-tax dollars for various eligible health care, dependent care and transportation expenses. Last year, there were over 22,000 enrollments in the various programs. We continue to make our pre-tax program even more attractive by allowing individuals to "roll-over" the maximum amount of 2023 funds into 2024 for the Health Care Spending Account and provided for a grace period for our Dependent Care Advantage Account and Adoption Expenses flexible spending accounts where employees can use their 2023 balance during the first two and half months of 2024 to incur new expenses and utilize previously deducted funds. We've also been able to fund increased employer contributions for the Dependent Care Advantage Account for the second year in a row. These programs continue to be tools that allow employees to deal with the affordability of health care, dependent care and adoption expenses and we will strive to expand participation in the coming year.

In sum, under Governor Hochul's leadership our office is actively engaged in support of programs that make life more affordable for our executive branch employees and their families and empower them to protect their mental and physical well-being while providing outstanding services throughout the State of New York.