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Contact: Grant Loomis, VP Government Affairs, 716-541-1736

MEMORANDUM IN SUPPORT

S.6589A (Persaud) / A.7534 (Rosenthal)

The Buffalo Niagara Partnership, on behalf of its members who employ over a quarter million people in the region, supports this. The BNP is committed to addressing the “benefits cliff,” an economic phenomenon in which a worker’s earnings increase suddenly disqualifies them from social service benefits, thereby worsening their net financial position. The BNP has focused significant attention on working with employers to understand the cliff and structure career pathways accordingly. However, eliminating the benefits cliff and incentivizing career advancement also requires urgent public sector policy changes. This bill represents a productive first step in that direction.

Under S.6589A/A.7534, if a worker completes a federal or state job training program and then enters the workforce, the state will disregard that worker’s first six months of earned income when calculating their income-based benefits. This would include state recipients who receive cash assistance, Supplemental Nutrition Assistance Program (SNAP) benefits, Supplemental Security Income, New York Child Care Subsidy Program, Section 8-House Choice Voucher Program, and/or Emergency Housing Voucher Choice Program and participating in government funded job training, adult/postsecondary education programs, or both subsidized and unsubsidized employment opportunities.

The practical impact of this bill would be that workers would not have to fear suddenly losing their social service benefits upon entering the workforce or taking a higher-paying job. During the six-month period, workers could save their additional earned income to help ease the transition once they qualify out of benefits. This bill would remove financial barriers that perpetuate generational poverty and give workers the opportunity to advance their careers without fear of short-term financial damage to their families.

This worthwhile proposal will reduce barriers to career advancement and incentivize the underemployed to further their educations, pursue promotions, and better provide for their families. Additionally, these bills would build on the BNP’s benefits cliff efforts, strengthen our regional workforce, and bolster the Buffalo Niagara economy.

For these reasons, **the BNP supports S.6589A and A.7534.**