



MICHELLE L. LIGHT  
Executive Director

## FACT SHEET ON LAW PROVIDING GREATER ACCESS TO WAGE REPORTING SYSTEM DATA

Until 2013, public workforce and education programs have not been able to easily evaluate their effectiveness or improve implementation by consistently accessing data that New York State collects about the wages and employment of New Yorkers that they serve. Now they can.

The NYC Office of Human Capital Development (OHCD) spearheaded a strong coalition of support that included the Partnership for New York City, CUNY, SUNY, the New York State Conference of Mayors, the New York State Association of Counties, and the National Skills Coalition to pass bill A7911 / S5773. Championed by Assemblywoman Nily Rozic of Queens and Senator Diane Savino of Staten Island, the legislation **allows public agencies greater access to the dates, wages, places, and industries of employment for individuals**. This data is maintained through the state’s Unemployment Insurance program, and is also known as “wage reporting system” data (or “WRS” for short). Governor Andrew Cuomo signed the bill into law on October 23, 2013 and it took effect on December 22, 2013.

### What is the Issue?.....

- **DATA IS AVAILABLE:** All employers covered under New York State’s Unemployment Insurance (UI) Program are required by law to report the gross wages of each employee out to State authorities on a quarterly basis. These records of individual earnings comprise the Wage Reporting System (WRS), which is owned and maintained by the New York State Department of Taxation and Finance.
- **NEW YORK STATE HAS NOT HISTORICALLY GRANTED ACCESS TO THIS DATA:** A 1995 amendment to the State Tax Law granted the New York State Department of Labor (NYSDOL) access to WRS data for the purpose of administering the State’s UI Program. State Labor Law Section 537 governs local government access to WRS records. Historically, the terms of State Labor Law Section 537 have allowed NYSDOL to narrowly construe WRS access by local governments and their agencies. State authorities have traditionally only disclosed WRS data under very limited circumstances. In contrast, many other states – including California, Connecticut, Florida, Illinois, Maryland, Massachusetts, New Jersey, Ohio, and Texas – provide interagency access to WRS for the assessment of public programs.
- **FOCUSING ON BENEFITS DERIVED FROM GOVERNMENT SERVICES IS MORE IMPORTANT THAN EVER.** Constrained budgets are a reality. Making informed, evidence-based decisions about allocating scarce resources is critical in order to provide continued, high-quality service delivery to citizens. Public agencies need consistent access to WRS data to fully understand the impact of workforce and education programs across public and private funding streams. In Fiscal Year 2014, for instance, New York City is spending over \$500 million on workforce development and training programs, but only has limited information on the efficacy of these programs. City agencies and their contractors must improvise costly, incomplete and inefficient methods to track and verify the individual outcomes of their respective program participants. Local policymakers lack objective information to help identify which public programs are most effective at educating, employing, or training New Yorkers.

## Why Does the Law Matter?.....

- **SAVES MONEY**: With expanded access to WRS data, public agencies and their contractors can **focus their resources** on actually providing services rather than diverting those resources to costly, incomplete and inefficient methods of tracking outcomes.
- **ENHANCES PROGRAM IMPROVEMENT**: Public agencies can now more effectively **assess the performance** of their workforce and education programs, paving the way for stronger outcomes for New Yorkers and smarter investments for taxpayers.
- **SPREADS INNOVATION AND EXCELLENCE**: Public agencies can **identify programs that achieve superior performance** so that they can target and expand those programs to touch the lives of more New Yorkers.
- **INCREASES ACCOUNTABILITY**: Public agencies can also **identify programs that are falling short** of the performance New Yorkers expect and want so that those programs can either be improved or phased out.

## What Does the Law Do?.....

- **EXPANDS ACCESS**: **Federal, state, and local government** agencies, including CUNY and SUNY, can request past and future WRS data that includes dates, wages, places, and industries of employment for individuals. The law creates an entirely new authorized category of data requests within the state's labor law for purposes such as of evaluating public programs over the long-term. This data may be used for 10 years or, if the agency requests and is approved, longer. This will arm public agencies with the information they need to ensure that they are running effective, world class workforce and education programs.
- **PROTECTS PRIVACY**: **Individual identifying information** cannot be disclosed by the requesting agency.
- **SETS TIMELINES**. By creating a **clearer, quicker, and more open** process for making data requests, public agencies will be more certain that they can receive the data they need in a timely fashion. Within 20 business days of receiving a data request, NYSDOL will provide a written decision that the request is approved, denied, or requires more information. If NYSDOL requests more information, the requesting agency will provide that information within 20 business days of receiving the request for that additional information. NYSDOL will then provide a final decision of approval or denial within 30 calendar days upon receiving the additional information.
- **INCREASES TRANSPARENCY**. NYSDOL must develop and publicly post a **standard application form** and key **point of contact** for assistance with data requests. Any denials of data requests must be in writing and include a **rationale**. Further, for any approved data requests, NYSDOL must promulgate **guidelines** for the development of data sharing agreements.

Better data can help us create a better workforce development and adult education system. OHCD is proud to lead the way in ensuring increased access to WRS data is fully leveraged so that New Yorkers can grow and thrive in today's economy and employers find the talent they need to compete in a globalized 21<sup>st</sup>-century world.