

## **State Budget: Not So Bad For Human Services**

The State Assembly passed the budget on March 31 but on Thursday, April 2 the State Senate continued to debate several of the state budget bills. The state fiscal year officially began on April 1.

Although the majority leaders in each house reached agreement on outstanding issues with the Governor in the days leading up to the deadline, there has been debate in the Senate over details in the spending and revenue bills. When the bills are passed, they will be sent to the Governor for his signature.

The \$131.8B budget closes a deficit estimated to be \$17.7B through a combination of federal stimulus funding (\$6.2B), increases in taxes and fees (\$5.2B) and cuts to state spending (\$6.5B). While the passage of a state budget is positive for programs that rely on state funding, observers caution that if the state fiscal situation does not improve in the next few months the Legislature might need to make cuts later in the year.

The budget includes many items affecting children and families. According to one estimate, two-thirds of the cuts to human services programs proposed by Governor Paterson in his December *Executive Budget* were restored, in large part with federal stimulus money.

Advocates are still reviewing budget language section by section, but here are some highlights:

### **Public Assistance**

- Implementation of the public assistance grant increase will be accelerated, with recipients expected to receive a 10% increase in July 2009, with the total 30% increase to be implemented by July 2011. The cost of the grant increase will be paid by the state for three years using Temporary Assistance to Needy Families (TANF) funding.

### **Early Care and Learning**

- \$36.7 million from TANF (each year for three years) for child care subsidies. Total funding for subsidies stands at \$392 million. This does not include anticipated federal stimulus spending.
- \$115M over two years is anticipated from the Child Care Development Block Grant portion of the federal stimulus package to be spent on child care. Counties that have rollover funds in reserve of more than 15% of their allocation (estimated at \$30.5 million) for child care subsidies will be ineligible for these federal stimulus funds unless they spend down the rollover.

- \$356M in child care funding removed from the Flexible Fund for Family Services, money available to counties to fund a number of TANF-related programs. Every year, early childhood advocates fight to move this funding from the “Flex Fund” to the Child Care Development Block Grant, where it is earmarked for child care subsidies. The last time it remained in the Flex Fund, child care lost \$27M.
- \$376M for Pre-K. This allocation is based on school district spending and represents a decrease of \$75M. Budget language allows for mid-year program expansion.

### **Children’s Services**

- Restoration of Healthy Families New York (HFNY) funding to just over \$23M. This home visiting program has been shown to have a number of positive outcomes, including decreases in child abuse and neglect. HFNY currently serves expectant parents and parents with an infant less than 3 months old in 39 sites in 10 counties, including nine New York City sites.
- Restoration of Community Optional Preventive Services (COPS) funding to just over \$29M. COPS partially funds home visiting programs, as well as mental health systems of care and other services. The *Executive Budget* proposed eliminating COPS funding. SCAA proposed language to restore a portion of the funding to those programs with measurable outcomes. The budget now reflects that language.
- \$5M for the Nurse-Family Partnership program from TANF. This is entirely new funding and it is still unclear how the funding will be allocated.
- Restoration of Advantage After-School funding, for programs serving children and youth during out-of-school time (\$19.1M).
- As requested by advocates, the proposed Youth Services Block Grant was eliminated and the funding for programs separated out, including YDDP funding (\$23.6M), SDPP funding (\$7.7M), runaway and homeless youth and secure and non-secure detention. This represents a 10% cut in these programs from last year.
- Eleven juvenile justice facilities will close and the one year notification requirement is eliminated. There will be some reinvestment into community services.
- Kinship Care and Navigator program restored and additional funds totaling almost \$3M.

- Some funding was restored for child welfare caseload reductions (\$1.6M).
- There was no restoration of cuts to the Hoyt Children and Family Trust.

## **Health**

- Simplification of public health insurance coverage, which includes elimination of face-to-face interviews, finger imaging and asses test requirements.
- Family Health Plus will now cover 19 and 20-year-olds living with their parents.
- The State will seek a federal waiver to cover low-income adults up to 200% of the federal poverty level in Family Health Plus. Many parents will be included in the additional 400,000 eligible under this proposal.
- State reimbursement for school meal (breakfast and lunch) programs was restored to 2008-2009 funding levels.
- The Hunger Prevention and Nutrition Assistance Program (HPNAP) was increased to \$4.4M, bringing the total for the program to almost \$31M. HPNAP helps fund the eight NYS food banks and other Department of Health approved programs to provide food to the hungry.
- An additional \$2.5M included for lead poisoning prevention. This raises the state's total lead poisoning budget by about 20% to \$16.2 million for 2009-10.
- A new \$1M included for anti-obesity programs.

Additional information and further analysis of the budget will be included in the next edition of this e-newsletter.