



Legislative Agenda 2009-10

Schuyler Center for Analysis and Advocacy

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On January 20th, New Yorkers watched a historic moment – the inauguration of an energetic new president before a live audience of two million Americans, along with many more taking their lunch breaks to watch the man who will be our leader for the next four years. In his inaugural speech, President Barack Obama turned the focus back on us and our responsibility as Americans:

“We remain the most prosperous, powerful nation on Earth.... But our time of standing pat, of protecting narrow interests and putting off unpleasant decisions – that time has surely passed. Starting today, we must pick ourselves up, dust ourselves off, and begin again the work of remaking America.”

And so with New York. Our state is one of the nation’s most prosperous and powerful, but we are beset with challenges: rising unemployment, sagging consumer demand, a diminished finance sector, and a budget deficit that seems to yawn wider with every passing week. This is surely no time to stand pat, to protect narrow interests, or to put off unpleasant decisions. The “era of responsibility” President Obama spoke of should start here in the enactment of the Fiscal Year 2009-10 budget of the State of New York.

Yet responsibility should not be confused with sweeping budget cuts. Balancing the budget through across-the-board cuts to state programs would devastate the services essential to all New Yorkers, especially those struggling in the weak economy. Instead, the state should employ all its fiscal levers: raise some taxes, eliminate some tax breaks, tap the Stabilization Fund, get the largest possible federal assistance and, yes, cut state spending significantly.

Most importantly, New York’s leaders need to set priorities. Such an exercise may seem like a luxury for tomorrow, but it is really a necessity for today. With clear priorities, policy makers can defend the long-term interests of the state while making the necessary hard choices. Without clear priorities, deficit reduction will become little more than a scramble for power between lobbyists and their constituencies.

SCAA has proposed the following set of priorities:

1. Protect programs that serve vulnerable New Yorkers.
2. Protect “seed corn” investments essential to the state’s future prosperity.
3. Give special consideration to programs that can show evidence of successful outcomes.

Priorities only matter if they help to guide decisions on spending and taxing. SCAA decided to test the value of our own proposed priorities by reviewing the state budget for non-essential programs. In December, SCAA identified 16 steps New York could take that would reduce the budget deficit by \$9.1 billion. Governor David Paterson has incorporated several of these

proposals in his *Executive Budget*, such as reducing the Empire Zone program, enforcing the tobacco tax on Indian reservations, closing underused juvenile detention centers and prisons, eliminating the Middle Class STAR Rebate, enacting the Bigger Better Bottle Bill and raising the beer excise tax. We strongly urge the Legislature to enact these proposals. Other proposals await the Legislature's attention. The full list is attached to this legislative agenda.

The state's leaders should do whatever it takes to keep vulnerable families healthy, safe and housed, particularly through programs such as home visiting, child care, unemployment insurance, and public assistance that have proven effective in deeply recessionary times. Likewise, the state should protect its investments in the state's workforce - institutions like community colleges, adult education programs, and summer youth employment programs. These institutions serve low-income workers and private employers who will need skilled workers when the economy recovers.

It is time to pick ourselves up, dust ourselves off, and begin again the task of remaking New York. Here at SCAA we look forward to working with all public-spirited New Yorkers in that great project.

CHILDREN'S INITIATIVES

SCAA supports the following 2009 Executive Budget proposals:

- Maintain funding for Pre-K at FY 2008-09 levels for two years (2009-10 and 2010-11), providing early learning to more than 106,000 children.
- Right-size juvenile justice facilities.
- Extend the Child Welfare Financing Law to 2012.

SCAA proposes the following changes in 2009:

Early Learning

- Restore child welfare preventive spending for home visiting and funding for Healthy Families New York.
- Transfer \$356 million in funding from the Flexible Fund for Family Services to the Child Care and Development Block Grant to prevent further erosion in child care funding, and to ensure that low-income working families have access to child care subsidies.
- Restore \$30 million in lost child care funding to increase the number of available subsidy slots to children in low-income working families.
- Provide \$600,000 for *Qualitystars NY*, the proposed Quality Rating and Improvement System (QRIS), to draw down funding committed by private sector investors.

Child Welfare

- Restore 65/35 state/local share and Community Optional Preventive Services (COPS) funding. COPS supports vital, not optional, preventive, mental health, probation and home visiting services to vulnerable families.
- Restore funding to reduce child welfare workloads.
- Restore funding to kinship programs and the Kinship Navigator program, thereby keeping children out of more costly foster care homes.
- Restore funding to the William B. Hoyt Memorial Children and Family Trust Fund, a source for innovative preventive programming to meet the needs of vulnerable children and their families.

Youth

- Eliminate the Youth Programs Block Grant, which would combine seven youth programs into one block grant, and restore funding to these critical programs.

- Restore funding to the Advantage After-School programs serving almost 26,000 students statewide.
- Enact the Foster Care Higher Education Scholarships bill, which would assist older and former foster care youth in meeting the total costs of attending a college or vocational training program.

ECONOMIC SECURITY

SCAA supports the following 2009 Executive Budget proposals:

- Raise the public assistance grant by 33% over the next three years.
- Eliminate the STAR Middle Class Rebate program.

SCAA proposes the following changes in 2009:

- Prevent cuts to the SSI benefit, which supports blind, disabled and elderly poor New Yorkers, many of whom have no other income source.
- Maintain working students' access to higher education by stopping two shortsighted proposals to cut the Tuition Assistance Program (TAP): a proposal to reduce TAP grants to students taking fewer than 15 credit hours per semester by up to 20%; and a proposal to eliminate TAP eligibility altogether for all non-remedial part-time students.
- Prevent cuts to state operating aid to community colleges, so that low-income and working students can continue to receive high-quality education through community colleges.
- Eliminate funding for inefficient economic development programs, notably the Empire Zone program, to expand available funding for more effective economic development strategies targeted to expanding the skilled workforce.
- Index unemployment insurance to the state average weekly wage so that its value does not fall over time.
- Maintain funding for the Nutrition Outreach and Education Program (NOEP), which helps thousands of low-income families receive food stamp benefits.
- Restore funding for the Career Ladders program, the most promising model for connecting low-income adults to educational and work opportunities.
- Restore funding for the Eviction Protection Program, which protects 6,000 poor families from eviction each year.
- Restore the reduction in funding to the Homelessness Intervention Program, which provides aftercare services to help formerly homeless families and individuals remain housed and not slip back into homeless shelters.

HEALTH CARE

SCAA supports the following 2009 Executive Budget proposals:

- Simplify and expand enrollment in Medicaid, Family Health Plus and Child Health Plus by eliminating the resource test for some populations, eliminating the face-to-face interview and finger imaging and aligning eligibility levels.
- Pursue federal waivers to implement the proposed expansion of Family Health Plus eligibility up to 200% of the FPL and expand to 19 and 20-year-olds who do not live with their parents.
- Increase funding for important public health programs, such as lead poisoning prevention, obesity coalitions and food banks.
- Impose a 18% tax on non-diet soft drinks and certain juices, thereby reducing demand for products shown to contribute to the obesity epidemic in New York.
- Replace the current CHHA diagnosis-based reimbursement methodology with a new methodology based on episodes of care.
- Develop a uniform assessment tool for home care.

SCAA proposes the following changes in 2009:

- Fully fund the Coalition for Institutionalized and Aged Disabled (CIAD), a key organization fighting for the rights of adult home residents.
- Fully fund the QUIP and EnAble programs to ensure that the residents of adult homes are able to live with respect and dignity.
- Restore the 2.5% permanent rate reductions to personal care and long-term home health care providers.
- Revise the Long Term Care Assessment Center proposal to lengthen transition and integrate more effectively with other components of long-term care system.

MENTAL HEALTH

SCAA supports the following 2009 *Executive Budget* proposals:

- Fund implementation of The Children's Plan, a cross-agency plan to improve the social and emotional well-being of all New York State's children and families.

SCAA proposes the following changes in 2009:

- Retain the \$2.1 million for Independent Case Management included in the *Executive Budget*. These services promote rehabilitation and recovery and work with residents who want to move to other housing.
- Protect the 2008-09 appropriation of \$20,000,000 to convert adult homes to independent housing.

**Proposals for New Savings and Revenues,
New York State FY 2009-10**

(All revenues expressed in millions of dollars)

Budget Proposal	New Savings & Revenue
Education/Higher Education	
Eliminate state high-tax aid to prosperous school districts	\$202
Suspend Bundy Aid program	\$44
Economic Development	
Eliminate Empire Zone program	\$582
Health Care	
Increase covered lives assessment on insurance industry	\$120
Shift financing for public health programs and Timothy's Law assistance to insurance assessments	\$140
Reduce unspent Graduate Medical Education funding	\$23
Enforce tobacco tax on Indian reservation tobacco sales to non-Indian customers	\$481
Human Services/ Public Safety	
Close six juvenile detention centers and downsize two others	\$17
Close unneeded prisons, expand alternatives to incarceration	\$410
Abolish sex offender program in state psychiatric hospitals, house in existing correctional facilities.	\$40
Targeted Revenue Increases	
Restructure STAR into an income-based "circuit-breaker" program and cut by 10%	\$347
Eliminate Middle Class STAR Rebate	\$1,227
Establish temporary progressive income tax surcharge	\$4,300
Enact Bigger Better Bottle Bill	\$118
Raise Beer Excise Tax from .11 cents to .25 cents	\$73
Economic Stabilization Fund	
Tap Economic Stabilization Fund	\$1,000
Total State Savings and Revenues	\$9,124