

Legislators Expected to Vote on NYS Budget Next Week

Budget Update March 13, 2013

Below you will find a brief overview of how key issues stand today in the budget process and SCAA's recommendations moving forward. Please use this information to inform your advocacy in the coming days and let us know if you have questions.

After the Governor releases the Executive Budget proposal in January, the Senate and Assembly hold public hearings, review and consider the budget bill, come to some agreement on anticipated revenues, and each house develops its own "one-house" budget. Each one-house bill is typically developed by the members of the majority party in that house. Over the last 5 days, the Senate and Assembly have released their one-house bills. In the next week, Legislative leaders and the Executive will work to find common ground to develop a single budget that can pass in both houses and be signed by the Governor. The last day of legislative session before the beginning of the State's next fiscal year is March 21, 2013, and legislators and the Governor have indicated a strong desire to complete the budget before the beginning of the Passover holiday on March 25th.

Full-Day Pre-Kindergarten

The Executive Budget proposed \$25M dedicated to full-day Pre-K, with language emphasizing quality, as a significant next step in expanding access to high-quality early education.

The Senate rejected the new funding for full-day Pre-K and shifted the funds to school aid. The Assembly included the \$25M for Pre-K to support full-day and half-day slots.

Recommendation: Urge the Senate to include \$25M for Pre-K in the Budget. Thank the Assembly for their support of new funding for Pre-K and ensure that it is in the enacted budget. Urge both to define high standards and provide the support essential to meet those standards.

Child Care

The Executive Budget includes funds to fill a shortfall in federal funding, but makes no allocation above that level to respond to the growing statewide crisis in access to child care for low-income working families.

The Senate provided an additional \$2M for child care subsidies and \$4M for a partial restoration of funding for facilitated enrollment. The Senate also provides for a transfer of \$5.3M in TANF funding for "post-transitional child care" in New York City. The Assembly did not add additional funding for subsidies but did add \$11M to restore facilitated enrollment. The Assembly also provided an amendment that would free up child care dollars for working

families through an exemption from work rules for public assistance recipients with children under the age of one.

Recommendation: Urge additional child care subsidy funding and support the work rules waiver for working parents with a child under one.

Targeted Investment in Early Learning Quality Improvement – QUALITYstarsNY

The Executive Budget does not include funding to support or sustain the State’s previous investment of funds in QUALITYstarsNY.

Neither the Assembly nor Senate added funds for QUALITYstarsNY in their budgets.

Recommendation: Continue to urge investment in quality improvement in early care and learning through QUALITYstarsNY, to provide professional development and program improvement supports for early learning programs.

Home Visiting

Both the Senate and Assembly maintain funding for Healthy Families New York at just over \$23,288,200 as contained in the Executive Budget.

The Executive Budget contained no funding for the Nurse Family Partnership (NFP) program. The Assembly budget contains \$500,000 and the Senate budget contains \$4M for NFP.

Recommendation: Support legislative addition in the amount of \$4M for Nurse Family Partnership.

Health Coverage for Low-Income Adults – Family Health Plus (FHP)

The proposed budget eliminates the Family Health Plus program as of January 1, 2014, with a commitment to protecting parents enrolled in the program by offering them financial assistance with the sharp increases in cost that they will experience buying coverage through New York’s Health Benefit Exchange. FHP currently provides comprehensive coverage with no premiums and minimal co-pays, to parents with incomes up to 150% of the Federal Poverty Level (FPL) and single adults and childless couples with incomes up to 100% FPL. Beginning in 2014, those people with incomes above 138% FPL will access similar comprehensive coverage options in the State’s new Health Benefit Exchange, with partial federal subsidies to cover premiums and out-of-pocket costs. While the budget proposes that 36,000 existing enrollees as of December 31, 2013 will be “grandfathered” and get additional state-funded subsidies to cover the full premium costs and almost all out-of-pocket costs, 77,000 similarly situated adults will have to pay as much as \$670 a year in premiums to buy coverage on the Exchange. People earning \$12,000 a year cannot afford to pay this much for coverage and would likely remain uninsured.

The Assembly budget bill proposes premium assistance for all parents up to 150% of FPL, a very low-income population who might remain uninsured without premium assistance.

Recommendation: Support the Assembly bill. Treat all consumers equally whether or not they are eligible for Family Health Plus before or after December 31, 2013, and provide additional premium and out-of-pocket subsidies to all consumers up to 150% of FPL.

Public Health Funding Pools

The Executive Budget consolidated 89 public health programs into six program areas and reduced overall funding by about 10% for a total of \$355.2M. The funding in those pools would be allocated by competitive grants based on evidence-based outcomes.

The Senate and Assembly restored the original funding categories and restored full funding for each item.

Recommendation: Support the Senate and Assembly actions of restoring the funding cuts to public health programs and undoing the consolidation into funding pools.

Minimum Wage

The Executive Budget included a proposal to increase the minimum wage to \$8.75/hour.

The Assembly passed a bill on March 5 to increase the minimum wage to \$9.00/hour and index the wage so it rises with inflation. The Senate budget proposal includes vague language on the minimum wage but does not include a specific wage or indexing for inflation.

Recommendation: Support a minimum wage increase to \$9.00 in the final budget that is indexed for inflation.

Adult Homes

The Executive has been moving forward with funding for the development of community housing and services for psychiatrically disabled adult home residents who wish to move into community housing over the next several years. Regulations advancing this process were released earlier in 2013, following a public comment period. Many adult home residents have spent years living in substandard conditions in some adult homes and seeking other options. The Assembly and Senate budget proposals contain new language that would delay the transition of adult home residents with psychiatric disabilities to community housing.

Recommendation: Oppose Legislative language in the budget that breaks the promises made to adult home residents and slows down their ability to move into more appropriate housing.

Other Concerns

We continue to work to understand the details and nuances of various budget positions. We are particularly concerned that the Senate budget document appears to make changes that would restrict eligibility for public programs for low-income pregnant women and children. It also proposes significantly scaled back benefits for extremely low income adults – in the Affordable Care Act’s “Medicaid expansion population” -- those with income below \$15, 281 per year (133% of the federal poverty level).