



**Testimony submitted to the Joint Fiscal Committees
on the SFY 2013–14 Executive Budget
Human Services Budget Hearing
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**Submitted by
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My name is Kate Breslin and I am President and CEO of the Schuyler Center for Analysis and Advocacy (SCAA). The Schuyler Center is a 141-year-old statewide, nonprofit, policy analysis and advocacy organization working to shape policies that improve health, welfare and human services in New York State.

Thank you for your interest in human services and for this opportunity to provide input on the Executive Budget.

After several years of recession and a slow recovery, far too many people in New York State still struggle to put food on the table and to adequately provide for their children. Poverty rates remain high, particularly for our children and for those who live in urban areas. Poverty rates in New York's urban areas range from 21% to 35% for all people and 30% to 54% among children (Fiscal Policy Institute's analysis of the American Community Survey data, 2011). The effects of living in poverty, even for a short period of time, have been well documented. Poverty in childhood is strongly associated with cognitive, behavioral, social and emotional difficulties, and with the lifetime effects of compromised educational and employment attainment (Children's Defense Fund, 2011). The implications are significant, lifelong and societal.

Investments in human services are critical to New York's future.

The last several years of growing need and flat or reduced funding have taken their toll on the very service system that families depend upon. The importance of our human services networks became clear in the aftermath of Hurricane Sandy. Human service agency staff heroically responded to the human need with shelter, provisions of food and material goods, and mental health support for those who lost so much. But years of program cuts and deferred COLAs have weakened the human services network. As the economy and the State's fiscal health improve, this sector should be prioritized for reinvestments to strengthen the State's infrastructure.

The Schuyler Center for Analysis and Advocacy would like to thank the Governor and ask the Legislature to support:

- Preserving funding (\$23.3 million) for the Healthy Families New York maternal, infant and early childhood home visiting programs. Home visiting is a proven strategy for reducing abuse and neglect.

- Preserving child welfare preventive services as an open-ended funding source for critical services, and maintaining funding for services to this most vulnerable population of children and families.
- Preserving funding for the Nutrition Outreach and Assistance Program. Last year's additional \$1 million investment yielded an additional \$8.3 million into New York's economy.
- Increasing the minimum wage to \$8.75.

Early Childhood

It is widely recognized that the earliest years of a child's life are extremely important for health, development and learning that can last a lifetime. A strong early start is a major predictor of future success and is particularly important to mitigate disparities in health, educational and other long-term outcomes. SCAA is a founding member of Winning Beginning NY (WBNY), the State's early care and learning coalition. WBNY's priorities span the continuum from the prenatal period to age eight. Investments made in the early years reap rewards for entire communities. We respectfully request the following:

Restore child care funding to 2010-11 levels for low-income working families. Diminished funding, large numbers of low-wage workers and increasing market rates have strained the capacity of the State's low-income child care program to provide funding for all eligible low-income families. Hundreds of families, in New York City and across the state, no longer receive subsidies and many counties have stopped enrolling new families altogether. Quality child care is an economic development tool, enabling parents to go to work knowing that their children are learning, safe, and cared for in an environment that lays the foundation for success in school and life.

The Executive Budget maintains the commitment made in the FY 2012-13 budget to contribute general funds for two years to fill a shortfall in federal funding, but makes no allocation above that level to respond to the growing crisis.

As the Governor noted in his State of the State address, the annual cost of child care is \$10,000 per year. A minimum wage worker only earns \$15,000 working a 40 hour week for 52 weeks. A worker would need to earn an hourly wage in the range of \$22 to \$37 depending on where they live in New York to meet their basic needs including child care (Self-Sufficiency Study, 2010).

We urge the Legislature to consider increasing the State's contribution to the child care subsidy program by \$92 million, which would help return eligibility levels across the state to more realistic levels and would restore overall funding to 2010-11 levels.

Invest \$5 million for QUALITYstarsNY to ensure and improve quality in New York's early learning programs. A significant and growing body of evidence shows that children who participate in high quality early childhood programs have less need for special education and remediation, have better skills prior to school entry and during Kindergarten and second grade, and earn more and are incarcerated less as adults.

New York State has designed a quality rating and improvement system (QRIS) for early learning programs called QUALITYstarsNY. QUALITYstarsNY is a system that lays out expectations, helps create a blueprint for improvement, improves accountability, ensures that early childhood program staff understand their achievable goals in the context of the plan and gives parents information about the early learning programs available for their children. The State needs to commit to funding QUALITYstarsNY in an ongoing way.

The New York State Education Department (SED) invested \$4 million in Race to the Top funds toward QUALITYstarsNY to provide a cogent and tested framework for ensuring quality and improving school success in early learning programs.

Measuring and improving quality will advance equity and opportunity. The Harvard Center on the Developing Child reports that “For young children from low-income families, high-quality, center-based, early education programs can enhance child cognitive and social development” (*A Science-Based Framework for Early Childhood Policy: Using Evidence to Improve Outcomes in Learning, Behavior, and Health for Vulnerable Children*, Center on the Developing Child, Harvard University, www.developingchild.harvard.edu). Studies suggest that the largest relative gain in third grade achievement scores comes from increasing participation in high-quality preschool programs among economically disadvantaged children.

We urge the Legislature to commit to a \$5 million investment in QUALITYstarsNY to improve early learning across the state.

Strengthen and expand evidence-based maternal, infant and early childhood home visiting.

The Executive Budget maintained funding for Healthy Families New York (HFNY) at \$23.3 million and maintained \$12.1 million in Community Optional Preventive Services (COPS) funding. COPS helps to fund Nurse-Family Partnership (NFP) programs. In addition, the Budget maintained \$621,000 in funding for the Children and Family Trust Fund, which partially supports The Parent-Child Home Program.

Maternal, infant and early childhood home visiting has emerged across the nation as a promising way to engage new and expecting parents and their children with services that support the family and lead to positive outcomes – and public cost savings – in the short, medium and long term. By reaching at-risk children and families early on, home visiting prevents problems that require expensive intervention and remediation.

After nearly 20 years of attention to various home visiting models, New York still serves only a small percentage of those who would benefit and falls short of a “system” that can meet the needs of all who are at risk. Gaps in services and eligibility criteria mean that many families miss opportunities for help and support. Once funded at \$25.2 million, Healthy Families NY now serves 25% fewer families than it did in 2007-08. While this is partly due to disruptions of services/temporary cessation at some sites during two years of severe budget delays, flat funding means that the program reaches fewer families today than it did four years ago.

New York State can build on what is already established, with secure funding and development of more comprehensive statewide services that reach families and communities that existing programs do not serve. Investing in evidence-based and promising home visiting programs in

the state will strengthen families, improve children's well-being and development, and save taxpayers money.

We urge the Legislature to

- *Maintain \$23.3 million for the Healthy Families New York maternal, infant and early childhood home visiting program and seek to increase this funding in the future, and*
- *Establish \$2.5 million in dedicated funding for the Nurse-Family Partnership home visiting program.*
- *Begin building a system of home visiting services and supports that aims to reach all families who need them.*

Child Welfare

Reimburse open-ended preventive funding at the full 65% State share, as called for in New York State's statute. The Executive Budget maintains funding for preventive, protective, adoption administration and services, independent living and after care services at 62% State share. Localities use this funding to provide services such as home visiting which are proven to reduce maltreatment and neglect, basic needs identified within Family Assessment Response (FAR), educational supports, and other needed services which keep families together, children safe, and prevent placement into costly foster care and re-entry into child welfare. The State's commitment to this funding, along with major shifts in child welfare practice, has resulted in a drastic decrease in the number of children placed into foster care, which is now close to 21,000.

We request that the preventive/protective funding remain open-ended in order to provide needed services to keep children safe and from re-entering the system. As the economy improves, funding for these services should be a priority for restoration of the State share to 65% as called for in statute.

Pay for Kinship Guardianship Assistance as an uncapped permanency option with no reduction to the Foster Care Block Grant. The Executive Budget calls for the Kinship Guardianship Assistance Program (KinGAP) to be paid using funding from the Foster Care Block Grant. In 2011, New York implemented a KinGAP using funding within the Foster Care Block Grant. With KinGAP, relatives in approved or certified foster care settings can apply for KinGAP when both adoption and family reunification are ruled out. Many of these families require financial assistance to continue caring for a foster child in their household. With this option, kin families can exit the foster care system and continue to receive financial support.

We anticipate the numbers of approved KinGAP agreements and guardianship arrangements will increase in 2013 and that funding for KinGAP outside the Foster Care Block Grant will have to be addressed, if not this year then next, within the budget. For instance, as of January 31, the New York City Administration for Children's Services has approved 193 applications and reached 170 agreements. Once an agreement is reached, the relatives file a petition in family court. For 42 children guardianship has been granted to a relative.

We request that the Kinship Guardianship Program be thought of as an additional permanency option to adoption and funded as adoption subsidies are funded. Further, the Foster Care Block Grant should not be reduced to establish dedicated KinGAP funding.

Restore funding for Court Appointed Special Advocates (CASA). The Executive Budget proposes the elimination of funding for CASA programs across the state. Although this program is administered by the Office of Court Administration, the elimination of these funds affects children within the child welfare system. Established in 1991, the statewide network of over 30 programs trains volunteers who are appointed by Family Court Judges to advocate on behalf of children in cases of abuse and neglect. Funding totaled \$800,000 and supported over 3,300 children in 2012, assuring their physical, mental health and educational needs were met.

We urge the Legislature to restore \$800,000 in funding for CASA programs.

Medicaid for Children and Youth in Foster Care. New York is implementing Medicaid Managed Care for children and youth in foster care. In addition, the Affordable Care Act (ACA) requires that states provide Medicaid coverage for youth who age out of foster care until they reach age 26. These policies are not addressed in the Executive Budget but are being done administratively within the Department of Health.

We want to draw your attention to these issues because they affect the more than 20,000 children who are among the most vulnerable in our society. Children and youth in foster care experience higher rates of physical, mental and dental health problems than the general population, as well as higher rates of developmental disability. The transition of these children and youth to Medicaid Managed Care needs to be done with extreme care with the ultimate goal of making sure that they receive better care and better outcomes. It is also imperative that processes are in place to ensure that youth aging out of foster care remain enrolled in Medicaid until they reach 26 so they retain access to needed health and mental health services.

We urge the Legislature to ensure that the implementation of both of these policies focuses on health outcomes with the ultimate objectives being significant improvement in access and care for these children and young people.

Provide \$3 million in funding for Kinship Caregiver programs. Once funded at \$2,750,000 in the 2009-10 Budget, funding for relative kinship programs decreased to \$338,750 in the 2011-12 Budget and remains at that level in the 2013-14 Executive Budget. Kinship Caregiver programs offer important supports and services to kin, a majority of whom are grandparents, who care for their relatives' children in their household outside of the formal foster care program. The programs provide needed information about family members' rights, support to meet children's education and health care needs, and assistance with obtaining benefits. For as little as \$500 per child, these programs are far less costly than a foster care placement. According to the Council on Children and Families, 153,000 children, or 3% of all children in New York State are living with relatives or close family friends in private or public kinship care arrangements. In 2012, Office of Children and Family Services funding supported 8 of the 21 regional programs it once funded. Three of the programs shut their doors and the other ten operate with greatly reduced services surviving on one-year TANF grants and private donations. These programs require secure, stable, and sufficient funding to continue their work.

The Schuyler Center requests a restoration of funding for Kinship Caregiver programs.

Additional Human Services items

Youth Programs

Summer Youth Employment Program (SYEP). We are appreciative that the Executive Budget includes \$25 million in funding for the Summer Youth Employment Program (SYEP) in the 2013-14 Executive Budget. However, funding of \$25 million for SYEP is inadequate to meet demand which far exceeds supply. The Governor's NY Youth Works program initiated in 2012 only provided 2,900 jobs for at-risk youth. This year, if the minimum wage increase goes through, an additional \$10 million will help maintain the number of slots for youth.

We propose that a proportion of these slots be set aside for foster care youth because of the increased outcomes for this population when they have employment experience. Foster youth who work before age 18 are four times more likely to graduate from high school than foster youth who do not, and more easily find jobs after exiting foster care, improving their chances for educational and financial success (Foster Care Work Group, 2003, *Connected by 25, A Plan for Investing in Successful Future for Foster Youth*, Annie E. Casey Foundation, retrieved from <http://www.aecf.org/upload/publicationfiles/connected%20by%2025.pdf>).

We request an additional \$10 million (totaling \$35 million) for the Summer Youth Employment Program (SYEP) to better meet the significant demand for this program.

Increase funding for Advantage After School Programs. The Executive Budget funds Advantage After School programs at \$17.5 million and recognizes the importance of extended learning time and community schools model to achieving educational success. In 2012, Advantage After School programs were funded with an additional \$0.5 million in TANF funds. Over the last three budget cycles, the Advantage After School programs were cut 37%. Last year, out of 350 proposals submitted, only 39 programs were fully funded.

Advantage After School programs are supported by school, community, public and private partners, and offer a broad range of educational, recreational, and culturally age-appropriate activities that are integrated with—and complement—school day learning. Programs operate five days a week during the regular school year and may elect to operate during school breaks. Programs may also extend hours into the evening hours, particularly when serving older adolescents. These programs are designed to improve the social, emotional, academic, and vocational competencies of school-age children; prevent and reduce the incidence of out-of-wedlock adolescent pregnancies; reduce negative behaviors such as violence and crime, tobacco, alcohol and substance abuse, disengagement from school, school suspension, truancy, and health-compromising behaviors; and provide parents with a safe after school environment for their children.

We request that the Legislature restore Advantage After School funding to \$28 million, to expand access to an approximately 10,000 additional students.

Youth Development and Delinquency Prevention Programs (YDDP), Special Delinquency Prevention Programs (SDPP) and Runaway and Homeless Youth Programs. The Executive Budget proposes combining funding for the Youth Development and Delinquency Program

(YDDP) with Special Delinquency Prevention Program (SDPP) funding into one funding stream totaling \$14.1 million in funding to be allocated to counties based on risk factors. In 2012, these programs received \$15.4 million. The Runaway and Homeless Youth programs received \$2.6 million in the 2012-13 Budget; the Executive Budget would fund these programs at \$2.4 million.

These programs serve at-risk youth by helping them build life skills and competencies that allow them to be successful, achieve career and college readiness, and prevent them from entering or re-entering the juvenile justice and child welfare systems. Program offerings include mentoring services such as Big Brothers/Big Sisters, Boys & Girls clubs, supports for runaway and homeless youth, programs that prevent involvement with gangs or drugs, and services for pregnant and parenting teens.

The Governor's proposal to combine the YDDP and SDPP funds into a single Youth Development Program seeks efficiencies. However, some changes to the fund could result in far fewer youth being served. For instance, the 50% local match requirement is eliminated and could result in counties decreasing their programs by 50%. The increased focus on at-risk youth could lead to the elimination of very worthy youth development prevention programs.

We urge further consideration and scrutiny of this proposed Youth Development Program.

Economic Security

Support the Governor's proposed increase in the minimum wage and index it to inflation.

The minimum wage in New York State is \$7.25 per hour, equivalent to the federal rate. Nineteen states have higher standards and some have indexed their rates to the rate of inflation. The Governor's proposal to raise the minimum wage to \$8.75 falls a bit short (97%) of lifting a full-time (52 weeks, 40 hours per week) working parent with two children above the federal poverty threshold. Raising the minimum wage is one part of a solution to raise people out of poverty. According to New York's Fiscal Policy Institute, the proposed increase would benefit nearly 1.6 million New York workers, 90% of whom are adults. The increase is likely to favor women, Blacks and Hispanics who are disproportionately in low-wage jobs.

Critics suggest that increasing the minimum wage would have a negative effect on employment and result in job loss. In a 2012 letter to President Obama and Congressional leadership, a team of internationally respected economists note that the weight of academic literature in recent years suggests that increases in the minimum wage have little or no effect on the employment of minimum wage workers, even during times of weakness in the labor market (Economic Policy Institute, July 23, 2012, downloaded from <http://www.epi.org/files/2012/minimum-wage-letter.pdf>).

We urge the Legislature to increase the minimum wage and index it to inflation.

Nutrition Outreach and Education Program. Last year, Governor Cuomo and the Legislature invested in outreach for the Supplemental Nutrition Assistance Program (SNAP) by increasing the budget for the Nutrition Outreach and Education Program (NOEP) by \$1 million. This brought the funding total to \$3,018,000. The Executive Budget maintains this funding level.

NOEP conducts outreach and education for SNAP, School Breakfast, and Summer Food Service Programs. It also provides application assistance and resolves barriers to participation for applicants. Last year's investment allowed the program to expand from 36 counties (5 in NYC and 31 in the rest of the state) to 52 counties (5 NYC and 47 in the rest of the state) covering 63 service areas through community-based organizations. The new NOEP service areas have helped to enroll an additional 3,000 households in SNAP, adding \$8.3 million to New York State's economy.

We urge the Legislature to support funding for the NOEP program.

In Conclusion

We urge the Legislature to place a special focus on programs designed to keep families and children from falling through the cracks. Prioritizing the early identification and provision of services to the State's vulnerable families and children can result in significant cost savings down the road.

Thank you. We appreciate the opportunity to submit testimony and look forward to continuing to work with you to build a strong New York that cares for its most vulnerable residents.

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