

JOINT LEGISLATIVE FISCAL COMMITTEES BUDGET HEARING

State Fiscal Year 2012-13 Executive Budget

Human Services

February 13, 2012

**By Gladys Carrión, Commissioner
NYS Office of Children and Family Services**

Good afternoon, Chairman DeFrancisco, Chairman Farrell, Children and Families Committee Chairs Senator Savino and Assembly Member Paulin, and distinguished members of the Senate and Assembly fiscal and Children and Families Committees. My name is Gladys Carrion, and I am the Commissioner of the New York State Office of Children and Family Services (OCFS).

I appreciate the opportunity to appear before you today to discuss the Office of Children and Family Services' portion of the State Fiscal Year 2012-13 Executive Budget and how it will support the agency's mission to protect New York's vulnerable children and families.

Governor Cuomo has said that New York is now on a new course to complete a broad transformation plan to strengthen the economy while improving the quality of services. The Executive Budget for the coming fiscal year is a comprehensive and strategic approach to advance an outcome-focused, innovative and fiscally responsible plan. The Governor's budget continues to support the re-alignment of our agencies into a more efficient, and more effective State government. The budget calls for an examination of the fundamental operations of our programs. Accordingly, in OCFS we will base our funding decisions on core mission critical services to support our children and families.

Governor Cuomo's juvenile justice proposals reflect his continued commitment to build on reforms of the State's juvenile justice system implemented in State Fiscal Year 2011-12. The Governor's "Close to Home" initiative is a collaborative effort between New York City and New York State to ensure more appropriate placements for youth who come from New York City and increase the efficiency of the system as a whole.

While OCFS will continue to house the most serious young offenders from New York City in State-operated secure facilities, New York City youth currently placed in OCFS non-secure and limited-secure secure settings would be placed in settings administered by the City. This new service model will build on best practices to meet youths' needs, reduce ongoing risk of offending, and provide a range of security settings to maintain public safety. These young people will be able to remain closer to their families while they receive the services and supports they need. OCFS will maintain strict oversight of this new system, including regular review of data, case record reviews, on-site inspections, and submission of an annual report by the City.

The State and City will share in the cost of this initiative, with the State appropriating a block grant to the City to support community-based and/or residential services for the youth throughout the five boroughs. The concurrent downsizing of the State system with the expansion of the New York City system will allow the State to contain, and even reduce State-operated costs, for counties outside of the City. When fully implemented in State Fiscal Year 2014-15, combined annual State and local savings of approximately \$12 million are anticipated.

The Executive Budget continues to provide an investment of \$8.4 million for the second year to support the Supervision and Treatment Services for Juveniles (STSJ) program. Research shows that detaining low and medium risk kids can increase offending, therefore, detention is recommended to be used only for youth who pose a high risk of flight or re-offending prior to their court hearings. Cost-effective, community-based alternatives are encouraged for low and medium risk youth. This program will continue to support performance-focused, community-based alternatives to placing youth in State and local facilities.

The Executive Budget continues to provide \$76.2 million for funding dedicated to detention services to support services for at risk or alleged Persons In Need of Supervision (PINS), Juvenile Delinquents (JDs) and Juvenile Offenders (JOs). This support is consistent with the State's continued emphasis and focus on diverting youth from out-of-home placement pursuant to an approved detention risk assessment. Districts will continue to have the flexibility of choosing to fund additional programs within the STSJ program. Last year, 54 NYS counties submitted STSJ plans and seventeen upstate counties exercised their ability to shift funds from their detention allocation to their STSJ allocation.

The Executive Budget recommends the preservation of funding for OCFS core mission services providing for uncapped, open ended support for the centerpiece of financing for child welfare services. This is a critical investment which will provide funding for child protective and preventive services as well as support for independent living, aftercare and adoption administration. This funding stream supports county social services as well as provides funding for our child welfare partners in not-for-profit agencies. The Foster Care Block Grant is recommended to continue at the same funding level in SFY 2012-13 as the current year, and local social services districts will continue to have the ability to re-invest any unused allocation savings amounts in the next fiscal year. This savings can be reinvested to support locally designed child welfare initiatives that strengthen preventive services or better serve high needs children, such as independent living services or aftercare services. Under the Foster Care Block Grant, funding of the Kinship Guardianship Assistance Program (KinGAP) is continued. KinGAP allows children to be discharged from foster care to guardianship, eliminating the need for ongoing supervision and resulting in savings of the associated social services and family court administrative costs.

In order to support the growth and development of young children and assist low-income working families to retain their jobs during these tight fiscal times, the Governor's proposed budget will allow us to maintain our child care subsidy allocations to the local districts at \$736 million. In the face of a loss of federal funds that have been supporting the Low Income Child Care Subsidy Program since State Fiscal Year 2009-10, the Governor is proposing \$93 million

from the State General Fund to ensure that subsidized slots are available for low-income working families.

The Executive Budget also provides support for a new initiative aimed at protecting New York State's most vulnerable residents and to ensure that funds will be available to commence implementation of key proposals addressing this issue in the upcoming year

As Commissioner of the Office of Children and Family Services, I am fully committed to Governor Cuomo's responsible, balanced plan to bring about necessary reforms and improve outcomes for New Yorkers. OCFS will do our work grounded in the fiscal reality of the times in which we live, while remaining focused on our mission of protecting and promoting the safety, permanency and well-being of our children, families, and communities. We will work with you and stakeholders from across the State to address the many challenges we face and keep New York State moving on a path to a bright and sustainable future.

Thank you again for the opportunity to address you today. I welcome your questions and comments.