

Testimony Acting Commissioner Barbara C. Guinn

Before the Legislative Fiscal Committees' Joint Budget Hearing State Fiscal Year 2024-25 Executive Budget Human Services

> Wednesday, January 31, 2024 9:30am

Good morning, Chairpersons Krueger, Davila, and Persaud, and other members of the Legislature. My name is Barbara Guinn, Acting Commissioner of the Office of Temporary and Disability Assistance. I welcome the opportunity to speak to you today about Governor Hochul's Fiscal Year 2025 Executive Budget and its support for the critical benefits and services our agency provides on behalf of New Yorkers.

OTDA is responsible, in conjunction with local social services districts, for the delivery of benefits that provide economic assistance and support to eligible families and individuals throughout the state. This work includes helping very low-income New Yorkers meet their essential needs, such as housing, food, and other basic necessities.

Since I have the opportunity to address you today, I'd like to start by thanking the staff of our Office for their dedication and efforts to serve lower-income New Yorkers in an unprecedented manner over the past few years. Our office played a vital role in helping New Yorkers navigate the economic uncertainty caused by the COVID pandemic, as well as its lingering financial impacts. Through this work, OTDA delivered \$18 billion in pandemic-related emergency food, housing, and utility benefits in direct support of lower-income households in our State.

These efforts enabled our agency to go above and beyond to meet the challenge of providing an unprecedented amount of assistance to so many New Yorkers, many of whom found themselves seeking assistance for the first time.

Governor Hochul's Executive Budget maintains the essential funding of our agency's core programs. These include:

- Public Assistance, which currently provides monthly income support to more than 600,000 individuals.
- SNAP, with more than 2.8 million monthly recipients of this vital food assistance.
- The Home Energy Assistance Program, which issued more than 1.5 million benefits last winter, totaling more than \$400 million.
- Child Support Services, which collected more than \$1.6 billion on behalf of nearly 615,000 families last year.
- And, Disability Determinations, through which our staff completed over 187,000 medical eligibility reviews for residents seeking federal and state disability benefits.

These programs are essential to helping millions of individuals in our state each day and to support stronger families and stronger communities.

As co-chair of the Child Poverty Reduction Advisory Council, I can share that in 2023 the Council made great progress in our work to develop a plan to reduce child poverty by 50 percent over 10 years. Additionally, investments and reforms Governor Hochul and the Legislature have made since the Child Poverty Reduction Act was enacted are already making progress toward improving the economic security of low-income families and helping reduce child poverty. This progress includes:

- Expanding the Empire State Child Tax Credit to add children under 4 years old, who were previously excluded.
- Investing over \$7 billion over four years to expand caregivers' ability to access to affordable child care.
- Raising the minimum wage by approximately \$2 per hour, phased in over the next couple of years, and indexing future increases to inflation.
- And, implementing strategic changes to help Public Assistance recipients with earnings retain more of their benefits, with the goal of encouraging work and economic mobility.

These initiatives alone have the ability to reduce child poverty in the state by 7 percent. The Council will build on this progress as we work toward reaching a consensus and issuing recommendations this year to meet our collective goal of significantly reducing child poverty in our State.

Governor Hochul's commitment to reducing poverty continues with the 2025 Executive Budget proposal to invest \$50 million to support locally-driven anti-poverty initiatives in the cities of Rochester, Syracuse, and Buffalo. These three communities have some of the highest child poverty rates in the nation.

The budget also makes other targeted investments to assist families in need, such as \$128 million for OTDA's Homeless Housing and Assistance Program. The program funds capital projects that create permanent supportive housing for families and individuals who have experienced homelessness. It also is the only state resource for the development of emergency shelters, which often play a critical role in communities' comprehensive homeless services systems.

Governor Hochul recognizes the importance of supportive housing, which brings together permanent housing and tailored services necessary for individuals to achieve and maintain stable lives in their community. The budget also includes increased funding to support these critical services and the ongoing operation of permanent supportive housing.

Governor Hochul also has committed to join the federal Summer Electronic Benefit Transfer Program for Children, known as Summer EBT. The program is aimed at reducing hunger and food insecurity among children who are unable to access free and reduced-price school meals during the summertime. Eligible families with school-age children will receive \$120 per child during the summer months.

The Executive Budget invests approximately \$13 million to support the administration of this program. Summer EBT is expected to provide over \$200 million in federal benefits to more than 2 million children across the state.

We are also excited that the Executive Budget continues efforts included in the Fiscal Year 2024 Budget and invests an additional \$23.7 million to provide year-round employment opportunities for at-risk youth. This includes the Summer Youth Employment Program, totaling \$50 million, and the Youth Employment Program, totaling \$38.8 million.

The year-round Youth Employment Program targets areas of the state plagued by high rates of gun violence as part of Governor Hochul's comprehensive effort to address this issue. Both are evidence-based programs that provide additional income for low-income households, critical career development services, as well as positive outcomes for program participants and their communities.

As you know, we work closely with our partners in the local departments of social services who administer many of the programs we supervise. These agencies play an important role in connecting New York families to public benefits.

The 2025 Executive Budget invests more than \$17 million to enable social services districts to increase qualified staff needed to provide family-centered, trauma-informed services. With the additional staff, they can offer greater support to families as a unit and help address any challenges to their well-being or their ability to attain financial stability.

Reducing child poverty and helping our fellow New Yorkers meet basic needs and advance economically is at the core of our agency's work.

We look forward to our continued partnership with the Legislature in the coming weeks and months. Thank you again for the opportunity to testify, and I welcome your questions and comments.