

**SENATE TASK FORCE ON THE
DELIVERY OF SOCIAL SERVICES IN NEW YORK CITY**

**REPORT ON THE PUBLIC FORUM HELD ON
April 16, 2015**

**State of Social Services Delivery System in
New York City**



SENATOR TONY AVELLA, CHAIRMAN

Members

Senator Simcha Felder
Senator Martin J. Golden
Senator Andrew J. Lanza
Senator James Sanders Jr.
Senator Diane J. Savino

COMPILED BY:
DAWA JUNG, COUNSEL

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Public Forum on the State of Social Services Delivery System in New York City

**Thursday, April 16, 2015 11 A.M.
Senate Hearing Room
250 Broadway
New York, NY 10007**

WITNESS LIST BY ORDER OF SPEAKERS

Hon. Steve Banks, Commissioner
Human Resources Administration

Panel I: Public Welfare Benefits and Sanctions Reform

Columbia University School of Social Work: Yi Wang, PhD. Student
Legal Aid Society: Kenneth Stephens, Supervising Attorney
New York Legal Assistance Group: Camille Zenter, Supervising Attorney

Panel II: Homelessness

Legal Services of NYC: Tanya E.M. Wong, Director of Government Benefits
Picture the Homeless: Ryan Hickey
Supportive Housing Network of New York: Edline Jacquet, Policy Analyst

Panel III: Services for Children

Committee for the Hispanic Children and Families: Grace Bonilla, President & CEO
United Neighborhood Houses of New York: Kevin Douglas, Co-Director of Policy & Advocacy
Jewish Board of Family and Children Services: Cara Berkowitz, Senior Director of Government Relations

Panel IV: Adequate Funding for Nonprofit Sector

Federation of Protestant Welfare Agencies: Mallory Nugent, Policy Analyst
Human Services Council: Michelle Jackson, Associate Director
Catholic Charities Community Services, Archdiocese of New York: Beatriz Diaz Taveras, Executive Director

Panel V: Union

AFSCME DC 37, Local 1549: Ralph Palladino, 2nd Vice President

Panel VI: Services for Senior Citizens

LiveOn NY: Bobbie Sackman, Director of Public Policy
Asian American Federation: Jo-Ann Yoo, Executive Director

Panel VII: Work, Training and Educational Opportunities

Community Voices Heard: Ann Valdez, Leader
City University of New York – Welfare Rights Initiative: Roxanna Henry, Legal Advocacy Organizer

TESTIMONY SUMMARY, COMMISSIONER BANKS

With an annual budget of \$9.7 billion and a staff of 14,000, the Human Resources Administration (HRA) provides assistance and services to some 3 million low-income children and adults. Their services include, but are not limited to, cash assistance, Supplemental Nutritional Assistance Program benefits (SNAP), Medicaid, Child support services, homeless prevention assistance, assistance for persons with disabilities, services for immigrants, civil legal aid, disaster relief, and services for the most vulnerable New Yorkers, including HIV/AIDS services, Adult Protective Services, Home Care and programs for survivors of domestic violence. In addition, HRA helps low-income workers obtain jobs and stay on the job through educational, vocational and employment programs.

Commissioner Banks stated, “While most of the public’s focus tends to be on how many people are receiving cash assistance, it is important to note that the large number of people receiving some assistance from HRA are already working and HRA’s support helps them to remain in the work force.” HRA spends approximately \$200 million a year on employment programs. The new employment plan that HRA submitted to the Office of Temporary and Disability Assistance (OTDA) last year, and was subsequently approved by OTDA, included the following:

- Improving assessments to address each client’s strengths and needs, as opposed to the prior one-size-fits-all approach
- Maximizing education, training and employment related services by continuing to allow participation in a four year college degree program and providing necessary support to help clients successfully complete their education
- Eliminating unnecessary punitive and duplicative actions that led to preventable negative actions and fair hearings
- Phasing out the Work Experience Program (WEP) and replacing it with more effective and sustainable work activities. HRA has already collaborated with CUNY to implement a paid workstudy program to phase out WEP for CUNY students, and as a result, HRA has phased out approximately 500 CUNY WEP slots (about 10% of the total number of WEP slots throughout the City).

Senator Golden stated, “Obviously, there is a large unemployed constituency here in the City of New York. Do you recommend clients to take the city test to get them connected to jobs?” Commissioner Banks stated, “We are developing some new programs as part of our employment plan to connect people with the available City employment. It is not something that had been done in the past, but I think that it is something that’s important to focus on. We have about 25,000 heads of households who are working full-time on our caseloads. So, if we can deal with wages that they are earning, that is a large number of people with the associated household members who we can move into the workforce and off the caseload.”

In addition, HRA has made a major effort to improve access to Supplement Nutrition Assistance program (SNAP) by making enrollment for SNAP easier. Those initiatives include:

- Allowing clients to use computers to submit applications
- Improving the AccessNYC website to make possible not only applying online, but also recertifying.
- Designated Client Service Supervisor at SNAP centers to assist clients with accessing services on-site
- Allowing clients to call at their convenience, rather than having to wait for days for a call from HRA

Senator Golden, in questioning the effectiveness of public benefits enrollment process, raised concerns regarding benefits applications getting lost in the system. He asked, “How is this problem being ratified and what are we doing to ensure that applications do not get lost?” Commissioner Banks stated, “There are a couple of reforms that are aimed at addressing exactly what you are describing.” Based on his communication with the frontline workers and advocates, HRA has been focusing on limiting “unnecessary transactions,” which would not only reduce the workload, but also improve client experience. In addition, HRA is developing ways to address this problem by using technology. HRA has been able to implement online document submission process for SNAP and is working on implementing the similar program for cash assistance. Senator Golden asked, “How long are we away from those (technological) changes (for cash assistance)?” Commissioner Banks responded that HRA is instituting interim systems and changes at this time. He stated, “For example, we instituted robo-calls last April to remind people of appointments, and that has reduced the number of missed appointments. It is an ongoing process to make the changes that we believe are necessary.”

In order to address the unprecedented number of homeless individuals in the City, HRA has for the first time instituted a Homelessness Prevention Administration, bringing together all of their existing and new programs. In addition, HRA is working with the Department of Housing Preservation and Development (HPD) to transfer Section 8 funds to HRA to implement a new program to help alleviate homelessness, such as a Tenant Based Rental Assistance (TBRA) program to move more than 1,200 homeless families out of shelters and into housing beginning in Fiscal Year 2015.

In terms of legislative priorities, HRA supports Senate Bill S.3596, which would clarify notice requirements, conciliation procedures and sanctions in cases when the recipients of public assistance have not complied with employment program requirements. In addition, HRA asks that the current statutory fair hearing chargeback provision be deleted or modified now that the backlog of fair hearings has been virtually eliminated. Lastly, HRA looks forward to working with the Task Force and the State government to increase the amount of rental subsidies and the number of available supportive housing in the City.

I. HOMELESSNESS

a. Homelessness Prevention Programs

Testified by:

Columbia University School of Social Work: Yi Wang, PhD. Student

Legal Aid Society: Kenneth Stephens, Supervising Attorney

New York Legal Assistance Group (NYLAG): Camille Zenter, Supervising Attorney

The homeless population in New York City has grown from approximately 32,000 in 2005 to more than 60,300 in 2014, a twofold increase. Furthermore, children account for more than 40% of the current homeless population in New York City. These daunting statistics compel us to take a more active role in reducing homelessness. The foremost important line of defense against homelessness is prevention – averting eviction by providing timely and adequate assistance to individuals and families in need.

However, the currently available shelter allowance and subsidies for permanent housing are not sufficient enough to keep our low-income families out of homelessness.

Mr. Stephens, testifying on behalf of Legal Aid Society, began by stating, “The City is beginning to confront the problem of homelessness, specifically with respect to the shelter allowance that has been frozen in time since 2003.” According to Ms. Zenter at NYLAG, the current shelter allowance for a family of two, including a minor child, is only \$283, which is not even sufficient to afford a room. She added that this gap shows “a gross inadequacy in contrary to the promises of New York State Constitution” to care for the needy.

While the Family Eviction Prevention Supplement (FEPS) was created to supplement the shelter allowance, it has not been increased since 2003. For example, combining FEPS and Shelter Allowance, a maximum amount allowed for a family of two is only \$900. The advocates recommended an immediate increase in the allowable amount of shelter allowance and FEPS to address the affordability gap and to prevent homelessness.

Furthermore, Ms. Tanya Wang, testifying on behalf of Legal Services of NYC, stated that FEPS should be made available before families are sued in court and threatened with eviction. Currently, in order to be eligible for FEPS, families must be facing an eviction case in housing court for nonpayment of rent or have been evicted for nonpayment in the last year. Making subsidies available during pre-eviction stage would allow many families to not only avert costly and stressful court proceedings, but also avoid disruptions in jobs and other important aspects of their lives.

Based on their recommendations, Senator Avella and Senator Golden wrote a letter to the Office of Temporary and Disability Assistance (OTDA), urging the agency to implement the recommended measures to strengthen the City’s ability to better address the ever-growing issue of homelessness. See Appendix C.

b. Current State of Homeless Shelters in the City of New York

Testified by:

Picture the Homeless: Ryan Hickey

Picture the Homeless is a membership organization founded and led by homeless people. Mr. Hickey, on behalf of the Picture the Homeless, began his testimony by pointing out the problems that the organization observed regarding the management of Living in Communities (LINC) program, which is a new rental subsidy program created to assist the special population in the shelter program who have been in shelter the longest.

According to Mr. Hickey, due to a strict eligibility restriction for LINC program, street homeless individuals or people living in an overcrowded or other precarious housing situations are not eligible for LINC. In addition, even if people are deemed eligible, they are left on their own devices to find landlords who are willing to participate. Instead of being given a list of participating landlords, they have to go through the list of brokers and pay the fees, thereby wasting their time and other resources.

Mr. Hickey also discussed the recent investigation by the Department of Investigation, which uncovered 223 buildings and fire code violations, some with life threatening conditions, in just 5 cluster site shelters. Through his outreach work, he has come across disheartening situations, such as a 6 person family crammed into a one bedroom cluster site apartment; families being given less than 24 hours of notice by the Department of Homeless Services (DHS) to leave the shelter and just two trash bags to pack their belongings. Oftentimes, families and individuals are left to their own devices to find housing in the most competitive real estate market in the country, and in the meanwhile, they see in the budget letter, the City spends over \$3,000 per month per unit for these unsafe environments.

Mr. Hickey stated, "It is absolutely cheaper to put people in a permanent housing than a shelter." For this reason, the organization advocates for utilizing vacant lots and buildings throughout the City to provide the much-needed housing, which was initiated through then City Council Member Tony Avella in 2006. He added that according to their vacant property count throughout the City, they found vacant buildings and lots that can potentially house more than 190,000 people.

Mr. Hickey recommended that we must utilize the City and State budget to create permanent housing for homeless individuals by using creative models, such as community land trust and mutual housing associations. In addition, he stated, "Most importantly, homeless people should be at the decision-making table to ensure the pragmatic solutions to the very real life problems."

Senator Avella asked whether DHS has done enough to address the issue of homelessness. Mr. Hickey responded, "There is lack of coordination between DHS and HPD to transfer people from living on the street or overcrowded housing to permanent housing."

c. Supportive Housing for the Most Vulnerable Population

Testified by:

Supportive Housing Network of NY, Edline Jacquet, Policy Analyst

Supportive Housing is a permanent affordable housing linked with on-site social services. It is the most cost-effective and humane way to provide a safe and stable home for chronically homeless individuals and families living with HIV/AIDS, mental illness, or other disabling conditions; individuals leaving prison or other institutions; youth aging out of foster care; and veterans returning from combat.

When left homeless, these individuals will cycle in and out of expensive emergency services, such as shelters, psychiatric centers, hospitals and prison. These institutions are significantly more expensive than the cost of operating supportive housing. Ms. Edline Jacquet, the Policy Analyst of the Supportive Housing Network of New York, stated that a “Psychiatric stay can cost \$1,000 a day, which is 20 times the cost of supportive housing.” She also added that “Placement of supportive housing have shown to be much less expensive for the government to operate and there is \$10,000 for person per year savings to the City and the State.”

Given the unprecedented number of homeless individuals in the State and the City, Ms. Edline emphasized the importance of an expansion of the NY/NY program included in this year’s finalized budget, which would produce approximately 5,000 units of supportive housing statewide over 5 years. While this effort is applaudable, it falls far short of the actual need for 35,000 units of supportive housing; 30,000 units in New York City and an additional 5,000 in the rest of the state over the next 10 years.

Ms. Jacquet ended her testimony, emphasizing the need to expand investment in supportive housing and to work together for a new supportive housing agreement.

II. REFORM ON WORK SANCTION RULE

Testified by:

Columbia University School of Social Work, Yi Wang
Legal Services of NYC, Tanya Wang

Senate Bill S.3596, if enacted, would reform the current conciliation and sanction policies on work rules. This legislative proposal would prevent inappropriate sanctions by requiring social services agencies to verify that appropriate childcare, transportation, and accommodations for individuals with disabilities were in place at the time of a participant's failure to comply with the work requirements, and to verify that participants are not exempt from work requirements under state law. In addition, rather than penalizing the participants for one-time noncompliance, it allows participants an opportunity to avoid a sanction by agreeing to comply with the work rules.

This proposal will reduce the number and cost of State fair hearings related to sanctions, increase compliance by New Yorkers willing to comply with program requirements, and most importantly, end the suffering of the many families struggling through extended periods of unnecessary sanction.

According to Yi Wang, an admitted Ph.D student at Columbia School of Social Work, New York State has one of the highest work sanction rates in the United States. In 2013, in New York City alone, at least one of five households was in sanction status or in the process of being sanctioned at any given time. Ms. Tanya Wang from Legal Services of NYC stated in her testimony, "If the household member does not respond to the sanction, the (benefits) case for the entire family will be closed." As a result, sanctioned families often face increased homelessness and healthcare costs, and children are more likely to end up in foster care.

In order to examine the financial effects of the proposed changes, the Columbia School of Social Work conducted a cost-benefit analysis. According to their study, the proposal, if implemented, would result in a net benefit of \$62.3 million to the State. While the implementation of this bill would result in an increase in welfare payments to recipients, this increased monetary cost to the agency is offset by the monetary savings resulting from various factors, including reduced administrative costs on fair hearings and more recipients participating in work programs. For instance, by implementing the reform, the State can prevent problems that oftentimes accompany sanctions, including homelessness, foster care placements, medical problems, and hospitalizations.

III. WORK, TRAINING AND EDUCATIONAL OPPORTUNITIES

Testified by:

Community Voices Heard: Ann Valdez, Leader

City University of New York – Welfare Rights Initiative: Roxanna Henry, Legal Advocacy Organizer

a. Elimination of the Work Experience Program (WEP)

WEP is a mandatory unpaid labor program by people receiving public assistance. Ms. Ann Valdez, testifying on behalf of Community Voices Heard (CVH), stated, “CVH has been fighting to end the unpaid labor of the Work Experience Program since it expanded in the 1990s.”

Ms. Valdez explained that WEP participants receive as little as \$92.50 every two weeks to clean streets or work at the subway cars and platforms while city and MTA employees doing the same job receive a pay check, benefits, social security credit, sick days, vacation and are treated with dignity.

She applauded Commissioner Banks for setting a new tone in his first year by including a plan to phase out WEP in the approved Employment Plan. She stated, “CVH is proud to have helped support Senator Savino and Assembly Member Wright to introduce bills to prohibit work experience program in New York State (A.5936/S.3597) and we hope that it will pass this cycle to make the end of WEP permanent and make it statewide.”

Ms. Roxanna Henry, representing the Welfare Rights Initiatives, also stated, “HRA’s plan for phasing out WEP is a step in the right direction of understanding that policy based on shorting human potential does not serve us, New York City families, individuals or communities.”

b. Educational Opportunities

Representing the Welfare Rights Initiative (WRI), Ms. Henry stated, “New York State adopted federal regulations by changing their law to allow 4 year college as a countable activity.” This change has enhanced the chances of thousands of individuals and families to move out of poverty through education and self-determination.

However, Ms. Henry pointed out that welfare recipients are still facing challenges to obtaining their 4-year college education under the current policy. Those challenges include:

- Child day care for parents attending colleges is limited to children under 2.5 year olds.
- While the federal Disabilities Act mandates accommodation to students with disabilities, HRA is unclear on counting the additional homework time students need as counting for participation rate.

- Complicated paperwork and long drawn-out school verification process. Oftentimes, eligible applicants are sent to 4 to 5 different offices to fill out their forms.

Ms. Henry shared with the Task Force a comment made by one WRI alumni, “Since the moment I turned 18, the HRA call in process has placed so many obstacles in many ways to prevent me from going to college. Pursuing a college degree is the only way I can improve my financial situation and it is the only way I can accomplish my goals. Expanding access to benefits for young adults is an excellent idea; however, they will still have to choose between their benefits an higher education, as I did.”

Ms. Henry ended her testimony by stating that WRI, with their 20 years of expertise and experience with social services, the City University of New York and students, will continue to collaborate with stakeholders to help more students stay in school without jeopardizing the welfare of their families.

IV. LANGUAGE ACCESS NEEDS FOR SOCIAL SERVICES CLIENTS

Testified by:

AFSCME DC 37, Local 1549: Ralph Palladino, 2nd Vice President

Committee for the Hispanic Children and Families: Grace Bonilla, President & CEO

Legal Services of NYC: Tanya E.M. Wong, Director of Government Benefits

a. Lack of Translation for Vital Documents

In 2012, Governor Cuomo issued and signed Executive Order 26 to ensure that State agencies providing direct public services are translating vital documents in the 6 most common non-English languages. Furthermore, it required each agency to provide interpretation services between the agency and an individual in his or her primary language with respect to the provision of services or benefits. However, according to Ms. Bonilla, “This Order has not been implemented in State agencies across the board.” The result was that OTDA would send notices with life-changing news, such as a sanction notice, without appropriate translation, potentially resulting in the loss of benefits and other detrimental impacts on people’s lives. She added, “Even though we talk about language access on the local-level, the State has to really step up and make sure that language access is addressed.”

Ms. Wang from the Legal Services of NYC expressed concerns regarding the “existence of the parasitic and opportunistic brokers who charge clients on public assistance hundreds of dollars to do the job of translation that HRA is required to do.” She also explained that the lack of publicity and outreach regarding the agency’s translation services make it harder for individuals to obtain the necessary social services.

b. Poor Qualities of Translation Services Provided by Contractors

Senator Felder stated that a number of constituents informed him that even when documents are translated, it is hard to understand the translation due to its poor quality. He stated, “[The translation] is supposed to allow people to understand, but many who read the translation cannot understand what is going on because it is translated verbatim without explaining [the context].”

In addressing this issue, Mr. Palladino from DC 37 Local 1549 stated that all of the City’s interpreter services are currently contracted out to private vendors despite many applicants who passed the Interpreter Civil Service test. Ms. Bonilla stated, “The quality of contracts really have to be looked at.” Since agencies are forced into awarding the contract to the lowest bidder, translation and interpretation services fall victim to poor quality. In addition, she stated that there is very little emphasis on creating a quality control process that provides the necessary checks and balances to ensure that the translated documents would actually make sense to native language. The result is that phrases that are literal translations from English to any of the required languages do not

make sense to the native speaker. This is a huge waste of money for government and an even bigger detriment to the person accessing the services.

c. Need for Face-to-Face Interpreting Services

According to Mr. Palladino, the most efficient way to provide language assistance is through a face-to-face conversation between the client and the staff. He stated that this not only reduces the amount of time spent on each interaction, it also guarantees that the information will be more accurate because the content has been verified by social services workers. As a solution, Mr. Palledino recommended expanding the Interpreter Civil Service exams to provide face-to-face language access services.

According to Mr. Palladino, despite the numerous languages spoken by social services recipients in the City, the only interpreter test given by the City since 1990 has been for Spanish. For this reason, Mr. Palladino urged the City to provide interpreter tests for other commonly spoken non-English languages throughout the City.

Ms. Bonilla also added that social services agencies must provide on-going, cultural competence and racial literacy training for all staff, as well as have an office, work group or taskforce that is charged with addressing issues in racial literacy and meeting the needs of English language learners. She stated, “The State has to really step up to make sure that the language issue gets resolved.”

V. SERVICES FOR CHILDREN AND YOUTH

Testified by:

Committee for the Hispanic Children and Families: Grace Bonilla, President & CEO
United Neighborhood Houses of New York: Kevin Douglas, Co-Director of Policy & Advocacy

AFSCME DC 37, Local 1549: Ralph Palladino, 2nd Vice President

a. Childcare Subsidy

Early education and subsidized childcare is critical to promoting children's academic and social success. However, Ms. Bonilla stated that these programs are severely underfunded in New York, and as a result, many families who are eligible for childcare subsidies do not receive them. According to Ms. Bonilla, while working parents earning at or below 200% of poverty level are eligible to receive subsidies or vouchers, in reality, only 22% of the eligible children are receiving subsidies.

Further exacerbating the severely underfunded program, the current policy requires the subsidy to be first distributed to recipients of Temporary Assistance for Needy Families (TANF), leaving very little, if anything, to provide the necessary child care subsidies for low-income working families.

Mr. Douglas, testifying on behalf of the United Neighborhood Houses of New York (UNHNY) pointed out, "While the New York State finalized budget included an additional \$14 million for childcare subsidies, we have a much greater way to go." Mr. Palladino from DC 37 Local 1549 added, "The State needs to do more to expand childcare and make it affordable to working New Yorkers."

The Legal Aid Society, in their written testimony, recommended the adoption of Assembly Bill A.1805/Senate Bill S.5176 as a solution to increase accessibility by eligible low-income families. The legislation allows social services districts the ability to offer 12 months of work exemption for parents/relatives who personally provide child care if the district is unable to meet the needs of income eligible working families. This bill, if adopted, would not only allow the parents of infants the opportunity to provide care themselves, but it would also free up scarce child care dollars for low-income working parents.

b. Quality Programs in Childcare and Early Education Setting

QUALITYstars NY is a voluntary program created to assess and improve the level of quality in early care and education programs. Unfortunately, due to underfunding, the program currently serves only 375 center-based programs, family home programs and public schools. Ms. Bonilla stated, "There was \$3 Million provided to QUALITYstars (in this year's budget). It is a good start, but not enough." She also added, "We need to make sure that this industry provides best quality programs so that when children enter into school they have the best possibility of succeeding."

c. Youth Development and Afterschool Programs

Mr. Douglas stated that while the State expanded after school programs last year, the expansion was only for grades from 6 to 8, not including the children who are under grades 6. UNHNY recommends that \$178 million be provided, over a period of time, to create 115,000 additional after school program seats for youth in the City and around the State.

In addition, Ms. Bonilla, in her written testimony, pointed out many of her youth clients are facing poverty, homelessness/transitional housing, mental health issues, hunger, and bullying. In order to address these issues, she made several recommendations, including, but not limited to: 1) reinstating an adequate number of social workers, psychologists, and counselors in our schools, 2) providing on-going professional development training to social workers, school staff and community based organizations working in school, 3) increasing funding to add more school-based health centers, and 4) providing more bilingual and bicultural mental health services to youth and families of color.

VI. SERVICES FOR SENIOR CITIZENS

LiveOn NY: Bobbie Sackman, Director of Public Policy and Jennifer Brown, Benefits Outreach Manager

Asian American Federation: Jo-Ann Yoo, Executive Director

a. Public Benefits Accessibility for Senior Citizens

The population of older adults living with financial insecurity is growing. Since income for older adults remains fixed, or worse declines over time, many live on a fiscal cliff, and rely on vital social services for survival. In order to make benefit programs more accessible for senior citizens, LiveOn NY implemented the Older Adult Benefit Outreach Initiative to assist older adults in enrolling into critical programs, such as Supplemental Nutrition Assistance Program (SNAP) and Senior Citizen Rent Increase Exemption (SCRIE). Ms. Sackman stated, “This program has helped many clients to overcome barriers and wrongful rejections.”

For the Senior Citizen Rent Increase Exemption (SCRIE) program, LiveOn NY worked closely with the State Legislature and New York City Council to increase the SCRIE income eligibility level to \$50,000 last year. However, the income eligibility increase is set to expire in July, 2016. Ms. Sackman urged the State Legislature to ensure the \$50,000 income eligibility does not sunset.

In addition, Ms. Sackman stated, “By the time senior citizens get onto SCRIE, they are already on a fiscal cliff, paying 40 to 60 percent of their income in rent.” For this reason, she recommended that SCRIE should be rolled back to the affordable housing level, which is basically 1/3 of income. She also asked that there should be a robust public awareness campaign, similar to the Pre-K campaign, targeting not only the senior citizens, but also their families.

Senator Golden asked, “What kind of increase in SCRIE application have you seen since the increase in the eligibility income?” Ms. Brown responded, “We have seen about 150% of increase in the number of SCRIE applications.” Following the response, Senator Golden asked what can be done to get the message out to the senior citizens regarding SCRIE. Ms. Sackman responded that the State Legislature should include in the budget funding for a public awareness campaign.

Senator Golden asked, “How about SNAP? Do you feel that messages are out and does it seem to be a better process in place?” Ms. Brown responded that while LiveOn NY commends HRA’s efforts to increase the awareness of SNAP and making the process easier and client friendly, there are still some barriers for older adults that the improvements in technology will not be able to address. Ms. Yoo, from the Asian American Federation, echoed this concern by stating, “Technology is not going to be usable for many senior citizens who are poor and who have very little English literacy,” Senator Avella agreed and stated, “The very people who need the help are usually the ones who do not have computers.”

Ms. Yoo, on behalf of Asian American Federation, testified that Asian American senior population is the fastest growing population in New York City, with every one in four Asian seniors living in poverty. She stated, “Language barriers remain high for senior citizens, and a significant portion of Asian senior citizens has limited English proficiency. For this reason, when we talk about social services, it is important to discuss how information is being given to senior citizens.”

She pointed out that despite their growing population, Asian nonprofit groups received less than 3% of total contract dollars of the over 5,100 contracts issued through the Department for the Aging. In addition, no Asian community group has a direct contract with the New York State Office for the Aging (NYSOFA). She stated, “Funding at the City and State level has not kept up with the population growth.”

Ms. Yoo also emphasized the importance of senior centers for the Asian community. She stated, “Asian Americans have the highest suicidal rate. Researchers have noted that it is from isolation. That is why senior centers are very important and plays an important role in explaining benefits and providing services in their language with cultural competence.” According to Ms. Yoo’s conversation with Asian groups, she was informed that there is no senior center for the South Asian community. She pointed out, “Bangladesh community is the fastest growing population, and we need to address this gap.”

VII. ADEQUATE FUNDING FOR NONPROFIT SECTOR

Testified by:

Catholic Charities Community Services, Archdiocese of New York: Beatriz Diaz Taveras, Executive Director

Federation of Protestant Welfare Agencies: Mallory Nugent, Policy Analyst

Human Services Council: Michelle Jackson, Associate Director

Jewish Board of Family and Children Services: Cara Berkowitz, Senior Director of Government Relations

a. Infrastructure Funds and Cost of Living Adjustment

An adequately funded nonprofit infrastructure capital program is critical to ensure quality, efficiency and accessibility of nonprofit human services organizations that serve many New Yorkers.

Ms. Jackson, speaking on behalf of the Human Services Council (HSC), stated, “While we are grateful for a \$50 million infrastructure fund included in this year’s budget, much more is needed.” Ms. Taveras, Executive Director of Catholic Charities Community Services emphasized the desperate need for increased infrastructure funds and stated that the current \$50 million investment, while a good start, only represents 10% of the cuts the sector has endured since 2009 and the non-profit sector is still playing catch-up. She recommended that in order to truly fund this initiative, we need an investment of \$500 million.

Senator Avella commented, “All too often, legislators are criticized for having member items as being pork. But, your testimony goes to the fact that member items can go to very helpful social services programs. A lot of us are fighting to get the member items back.” Ms. Jackson responded, “Member items were very helpful in allowing the organizations to continue critical social services programs. Government contracts do not pay the full price of running a program and the member items helped fill those gaps and helped the nonprofits do the necessary infrastructure repairs, which often are not covered through the government contract.”

In terms of Cost of Living Adjustment (COLA), Ms. Jackson stated, “We have not seen COLA in the human services sector for the five previous years.” The continued COLA denial puts many nonprofits in the difficult position of having to decide where to cut costs in an already dismal funding landscape. According to Ms. Jackson, frontline workers are increasingly seeking services themselves due to the low wages and diminishing benefits. In many cases, it has resulted in low morale and high staff turnover, further exacerbating the challenges social service providers face. Ms. Nugent, representing the Federation of Protestant Welfare Agencies, stated that annual turnover rates in many parts of the social services sector can reach 30 percent or more.

With regards to instituting a \$15 wage floor, Ms. Jackson stated, “While HSC supports minimum wage increases, that would need to be coupled with the new dollars in contracts to make sure that nonprofits can afford minimum wage for their workers as well.

Ms. Nugent, representing the Federation of Protestant Welfare Agencies, echoed the concern regarding insufficient funding for nonprofit sector by stating, “[It is difficult to] provide high quality services without adequate funding and the investment of a cost of living adjustment.”

b. Guarding Against Future Economic Downturn

Ms. Nugent stated, “While New York currently has a Rainy Day Fund (RDF), it was not utilized during the recession, resulting in over a billion dollars of social service cuts.” In order to have the Rainy Day Fund function as intended and protect critical services during the economic downturn, FPWA recommended a series of legislative initiatives to reform the Rainy Day Fund, including setting aside a specific portion of the RDF to protect human services funding.

c. Reimbursement Rate for Mental Health Services

Ms. Berkowitz, testifying on behalf of Jewish Board of Family and Children Services (JBFCS), discussed the insufficient reimbursement rates for social services programs, especially for mental health providers.

She shared with the Task Force the challenges that JBFCS faces as they are preparing to absorb 6 of FECS’s clinics. She stated that service reimbursement rates have shrunk in the past decade and have been frozen in recent years at levels inadequate for providing optimal care. As a result, despite the importance of mental health services for low-income and vulnerably population, many of these programs are forced to run at a deficit due to insufficient reimbursement. Without changes to the current reimbursement rate, it will be extremely difficult to continue to provide quality mental health services.

Appendix A

Testimony Of Steven Banks, Commissioner Of The New York City Human Resources Administration, at the New York State Senate's Task Force on the Delivery of Social Services in New York City – April 16, 2015

I would like to thank the Task Force on the Delivery of Social Services in New York City Chair Senator Tony Avella for giving us this opportunity to testify today about HRA's reforms as well as key legislative priorities.

As you know – every day in all five boroughs – the City's Human Resources Administration (HRA) is focused on carrying out the Mayor's priority of fighting poverty and income inequity and preventing homelessness. With an annual budget of \$9.7 billion and a staff of 14,000, HRA provides assistance and services to some three million low-income children and adults, including:

- economic support and social services for families and individuals through the administration of major benefit programs (Cash Assistance, Supplemental Nutritional Assistance Program benefits (food stamps), Medicaid, and Child Support Services);
- homelessness prevention assistance, educational, vocational, and employment services, assistance for persons with disabilities, services for immigrants, civil legal aid, and disaster relief;
- and for the most vulnerable New Yorkers: HIV/AIDS Services, Adult Protective Services, Home Care and programs for survivors of domestic violence.

HRA is about more than cash assistance; we help low-income workers stay on the job and we work to prevent homelessness. While most of the public focus tends to be on how many people receive cash assistance, it is important to note that a large number of the New Yorkers receiving some assistance from HRA are already working and that HRA's support helps them remain in the workforce. Living in a very expensive city, low-income workers, who are generally struggling to begin with, can be derailed by a variety of emergencies and unexpected expenses. Among other assistance, HRA provides these key work supports:

- There are 2.5 million New Yorkers receiving Medicaid through HRA and tens of thousands more through the new State health insurance exchange;
- 1.7 million New Yorkers receiving SNAP food assistance and millions of meals served through food pantries and community kitchens;
- 700,000 New Yorkers receiving home energy assistance every winter; and
- 100,000 receiving one-time cash assistance each year to prevent evictions and utility shutoffs or provide assistance with other emergencies.

For all these New Yorkers, these supports can be critical in maintaining employment. Having health insurance means workers can stay healthy and working and avoid the economic disaster that severe illness can impose on those with no insurance. Food and energy assistance, child support, and the

Earned Income Tax Credit strengthen households and help families survive on low-income jobs. Emergency Cash Assistance and services to prevent homelessness can also stabilize families and individuals and keep them from losing employment in the face of sudden emergencies. Clearly, efforts aimed at keeping low-income workers in the workforce are much less expensive and more efficient than having to help New Yorkers return to the workforce, especially after an extended absence.

HRA also helps thousands of the most vulnerable New Yorkers, providing shelter and supportive services to families recovering from the trauma of domestic violence, support for people living with HIV and AIDS, protective services for adults unable to care for themselves and home care services for seniors and individuals with physical or mental disabilities, and legal services to address the harassment of tenants, avert homelessness and help immigrants.

Reforms

For the past year, we have been focused on significant reforms to better serve low-income New Yorkers. As part of this ongoing process, I met with frontline staff in all five boroughs, created staff focus groups and surveys, and reorganized the senior level of HRA's management to move the reform process forward. We also looked to our external stakeholders soliciting input from clients and engaging the advocates, community-based organizations, and legal representatives to seek input.

Our reforms focused on addressing HRA policies that harmed clients, were barriers preventing New Yorkers from accessing assistance, had an adverse impact on staff workload and morale, and subjected the City to potential financial penalties for unnecessary fair hearings. With more than two dozen key reforms in place, we continue our work to ensure that those in New York City who need to access our programs and services are able to do so and that relief is effective and assists low-income New Yorkers in working towards more permanent stability.

Now I would like to describe HRA's key new reform initiatives.

Employment Plan

HRA spends approximately \$200 million a year on employment programs. Every two years, we are required to file with the New York State Office of Temporary and Disability Assistance an employment plan for how we will be using those funds to help our clients. We submitted a new plan last year and it was approved by the State on December 31st. It will take us about two years to replace all of the current contracts and completely implement the new program.

The new Plan reflects a new approach based on these principles:

- **Improving assessments** to address each client's actual strengths and needs will improve outcomes compared to the prior one-size-fits-all approach that led to one out of every four clients who are reported to have received employment assistance returning to the caseload within 12 months.

- **Maximizing education, training and employment-related services** will open job opportunities and create the basis for building career pathways out of poverty.
- **Eliminating unnecessary punitive and duplicative actions** that lead to preventable negative actions and fair hearings (that subject New York City to potentially \$10 million in financial penalties) will allow staff to focus on more effective problem solving and allow clients to avoid delays in accessing services, finding jobs and moving into sustainable employment.

In order to understand the data that we report about the size of the cash assistance caseload, it is important to understand that of the approximately 350,000 New Yorkers receiving assistance in any given month, most are not subject to work requirements, according to the same state and federal rules applied by prior Administrations. That is because about half are children and many more are seniors or clients who have barriers to employment because of either permanent or temporary disabilities.

That 350,000 number of New Yorkers receiving cash assistance fluctuates month-to-month, particularly as we increase the payment of rent arrears to prevent evictions and homelessness and we reduce the counter-productive churning of children and adults off and on and off the caseload, which now subjects us to a potential \$10 million New York State penalty for unnecessary fair hearings and is associated with shelter applications. An analysis of the Department of Homeless Services (DHS) shelter applications during a six-month period in 2013 found that 23% of the applicants had an HRA case closing or case sanction within the prior 12 months.

In contrast to expected fluctuations in the monthly caseload, the annual unduplicated caseload of New Yorkers receiving recurring cash assistance has remained steady at 500,000 during the past year as it has since at least 2008.

Moreover, of the approximately 90,000 clients who are subject to work requirements, 25,000 actually have jobs; however, they make so little they still qualify for cash assistance. This underscores why the Mayor's call for an increase in the minimum wage is so important for addressing poverty and income inequality – as well as reducing our caseload. This is a legislative area we look forward to working with you on.

During the phase-in of our OTDA-approved Employment Plan:

- The goal is to ensure HRA's employment and training programs are effective in connecting and/or reconnecting New Yorkers to the workforce.
- We want to maximize education, training, and employment-related services.
 - 60% of employable clients lack a high school diploma or equivalent degree, so we will allow recipients up to age 24 to participate in full-time basic education.

- As permitted under the 2014 state law we supported, we will allow participation in a four-year college degree program. And we are putting supports in place to help clients successfully complete their education.
- We will increase access to targeted training for jobs in high-growth industries and utilize available Career Pathway programs.
- As noted, instead of one-size-fits all, we are creating new employment strategies for youth, clients with limited English proficiency, shelter residents, those with work limitations, those with justice system involvement, and older clients.
- We are also working to enhance program participation and the resolution of disputes before a fair hearing is requested.

One specific goal is to phase out WEP and replace it with more effective and sustainable work activities. Our Employment Plan provides for a two-year WEP phase-out period.

- HRA has already collaborated with CUNY to implement a paid work study program to phase out WEP for CUNY students who are receiving Cash Assistance. In January 2015, we began a program to provide paid work study opportunities for CUNY students who are pursuing an undergraduate degree and need to meet an HRA work requirement.
- As a result of this collaboration, we have phased out approximately 500 CUNY WEP slots, about 10 percent of the total number of WEP slots throughout the City.

We are developing additional initiatives to replace WEP in accordance with the Employment Plan.

Improving Access to SNAP/Food Stamps

During 2014, there were about 1.76 Million New York City residents receiving federal SNAP benefits, including more than 650,000 children, and they purchased a total of more than \$3 billion in food. The federal government estimates that every \$1 of food stamp spending generates \$1.80 in economic activity. That means SNAP brought about \$5.4 billion to the City economy, much of it to small businesses in all five boroughs of the City.

Recently, the number of people receiving SNAP benefits has been declining nationally and in New York. This is probably because the improving economy means that some people's earnings have improved and they no longer qualify and because the Congress reduced the SNAP benefit, which makes the benefit less valuable for some people.

The official SNAP participation rate is 77% in New York City, which is a relatively high rate. HRA's own analysis shows that the participation rate among children is approximately 95% but it is closer to 70% for seniors and other adults. So we are implementing several initiatives to close this gap.

- HRA has a major effort to make enrollment for federal benefits easier.

- We are restoring headcount cut by the prior Administration to improve service in our centers.
- At all but one of the HRA SNAP Centers, clients can use PCs to submit applications.
- Client Service Supervisors have also been placed at designated HRA SNAP Centers to assist clients with accessing services on-site.
- We are obtaining a waiver for on-demand SNAP interviews, allowing clients to call at their convenience rather than have to spend days waiting at home for a call from us.
- We are improving the AccessNYC website to make possible not only applying online, but also recertifying.
- We have put in place interim systems to submit documents to make sure they are not lost
 - soon clients will be able to use a smart phone to submit documents.
- We also have implemented extensive outreach efforts.
 - HRA's Office of Supplemental Nutrition Assistance Program Outreach Services provided outreach services at more than 1,543 individual community events in FY'14.
 - With the Robin Hood Foundation, Benefits Data Trust and DFTA, we are conducting outreach to 100,000 seniors, 60 and over, who have Medicaid, but not SNAP benefits
 - We are working with the New York City Housing Authority to identify residents who do not receive SNAP benefits and are likely to qualify for them.
 - This month we will be launching a major outreach campaign and will seek your support in that effort.

Legal Services

At the beginning of our current fiscal year on July 1, 2014, the Mayor consolidated legal services from the Department of Homeless Services (DHS), the Department of Housing Preservation and Development (HPD), the Department of Youth and Community Development (DYCD), and the Mayor's Office of Criminal Justice (MOCJ) at HRA in order to enhance coordination and effectiveness.

Contracted services include: anti-eviction, anti-harassment tenant protection, immigration, domestic violence, securing federal benefits, and other legal matters. We are also developing a study of the unmet needs in Housing Court to evaluate what programs will be most effective in preventing homelessness.

The civil legal services programs and the \$18.8 Million in associated funding in the City's baseline budget that have been consolidated at HRA are as follows:

- \$13.5 Million for anti-eviction legal services, which represents an increase of \$7.1 Million above the previous funding levels as part of the Mayor's new initiatives to prevent homelessness that were announced in September; and
- \$5.3 Million for legal assistance for immigrants, including legal services for survivors of domestic violence, immigrant workers, and immigrant City residents with legal needs involving citizenship and permanent residency.

In addition, during the course of this fiscal year, additional legal assistance programs have been developed at HRA:

- a new program that will provide access to legal assistance for community residents identified as victims of tenant harassment in order to prevent displacement, keep families and individuals in their homes, and maintain affordable housing – when fully implemented this program will fund \$31 Million in civil legal assistance and \$5 Million in HRA support services on an annual basis;
- a new program to assist children and adults with disabilities obtain federal disability benefits in place of state and local public assistance – when fully implemented this program will be funded at \$2 Million on an annual basis for Appeals Council Review and Federal Court Services; and
- a new \$660,000 program in FY'15 to support the legal assistance to help New Yorkers benefit from the President's Executive Action for immigrants.

In addition to the Administration's commitment of resources in the baseline budget, as part of the FY'15 budget agreement between the Mayor and the City Council, \$17.6 Million in discretionary funding has also been added to the City budget for this year for these programs:

- \$11.725 Million for civil legal services, including citywide civil legal services, legal services for low-income workers, legal assistance to obtain unemployment insurance benefits and federal disability benefits, legal services for survivors of domestic violence, legal services for veterans, and anti-eviction and SRO housing legal services;
- \$1 Million for the Unaccompanied Minors Initiative; and
- \$4.9 Million for a unique Family Unity Project to keep immigrant families together and avert deportation.

In combination, as Chief Judge Jonathan Lippman has done for the Judiciary's civil legal assistance initiative, these programs prioritize providing civil legal assistance in core matters involving the "essentials of life" – legal problems in the areas of:

- housing (including evictions, foreclosures, and homelessness);
- family matters (including domestic violence, children, and family stability);
- access to health care and education; and
- subsistence income (including employment wages, disability and other basic benefits, and consumer debts).

HIV/AIDS Services

HRA's HIV/AIDS Services Administration, known as HASA, provides intensive case management services to some of New York City's most vulnerable residents – persons living with AIDS or clinically symptomatic HIV.

After the State passed the new rule in April 2014 providing that eligible persons living with HIV/AIDS will pay only 30% of their earned or unearned income towards rent, we expeditiously implemented it, including issuing retroactive rental assistance to more than 7,500 HASA clients. We are thankful for your support in enacting this essential provision as part of the 2014 State budget.

We greatly appreciated the Governor's June 2014 Pride Day announcement of the goal of ending the AIDS epidemic in New York by 2020 and his appointment of a Task Force to develop and recommend a blueprint for doing so. We look forward to the release of the blueprint and working with you on implementing the Task Force's recommendations for achieving this critical goal, which will save lives and money.

Improving Client Access

HRA is implementing significant reforms to provide greater accessibility to clients with disabilities, our LGBTQI clients and those who need language access assistance.

As part of the recent Lovely H. Settlement, HRA is developing and implementing policies and procedures to provide clients with disabilities meaningful access to our programs and services. A new office of Disability Affairs was created and many projects are underway including:

- Developing guidelines and best practices for web and print access.
- Developing an agency-wide survey to assess systems, training, data collection and policies related to disability issues and reasonable accommodations, including a staff survey.
- Establishing and building on relationships with various advocacy agencies and community organizations that assist people with disabilities with enrolling in benefits.
- Developing trainings on reasonable accommodations.
- Working within HRA to ensure and support compliance with legal requirements, including the Lovely H. settlement.

Lesbian, Gay, Bisexual, Transgender, Questioning and Intersex people have been identified as an underserved community, who may be disproportionately likely to live in poverty, and to have difficulty accessing public benefits. To address these client needs, HRA created a new LGBTQI Affairs Office. Projects underway include:

- Tracking and resolution of LGBTQI-related complaints.

- Comprehensive needs assessment for LGBTQI clients, including research and stakeholder surveys, and changes to program areas to allow for increased visibility of LGBTQI issues.
- Coordinating a work group with community-based organizations and advocates that focus on LGBTQI concerns.
- Creating and implementing a training curriculum on LGBTQI issues that will provide both a baseline of knowledge and specific guidance for program areas.
- Developing HRA's day-to-day practices for working with LGBTQI community members, including structural changes in program areas, updates to existing policies and the creation of new resources for staff.

Ensuring that clients have access no matter what language they speak is a high priority for HRA. The Office of Refugee and Immigrant Affairs (ORIA) works collaboratively with HRA's programs to advance language and immigrant access to public benefits. Projects underway at the Office of Refugee and Immigrant Affairs include:

- Answering inquiries from frontline staff making immediate immigrant eligibility determinations and ensuring training helps staff make accurate determinations.
- Continuing to build partnerships with immigrant serving CBOs and advocacy groups.
- Working in partnership with program areas to maximize client access to bilingual staff at HRA sites throughout the five boroughs.
- Collaborating with the Mayor's Office of Immigrant Affairs to advance the Mayor's priorities around immigrant and LEP access

Homelessness

As part of the de Blasio Administration's effort to reduce homelessness, there has been a substantial expansion of HRA's homelessness prevention services.

- For the first time, HRA has a Homelessness Prevention Administration, bringing together and coordinating all our existing and new programs. It includes the following:
 - Homelessness Diversion Units (HDUs) located at all HRA Job Centers and at the Department of Homeless Services' PATH facility are now utilizing new diversion tools that include short-term financial support.
 - HRA is now deploying on-site staff at DHS Homebase offices around the City and at the New York City Housing Authority's administrative hearings office in addition to staff at the Housing Courts.
 - There is an Early Intervention Outreach Team (EIOT) for outreach to families and individuals in need of legal assistance or emergency rental assistance based on early warning referrals from the Housing Court.

- Landlords are essential to fighting homelessness so we created the Landlord Ombudsman Services Unit (LOSU) to address the needs and concerns of landlords and management companies that provide permanent housing for families and individuals receiving public assistance.
- The Rental Assistance Program was formed to implement the new LINC initiatives.
- The Legal Assistance Initiatives Program manages all the legal assistance programs that have been consolidated at HRA to enhance coordination and effectiveness.

HRA also recently created the Family Independence Administration's Central Rent Processing Unit to centrally process, issue and deliver emergency rental assistance payments to landlords to prevent evictions.

Together with DHS, we continue to work on improving the LINC rental assistance program to make it more effective and ensure it reaches everyone in need. Since the program's creation, we have added three additional LINC programs and now there are a total of six unique LINC programs for homeless New Yorkers. The six LINC programs for homeless New Yorkers in the shelter system are:

- LINC I: Rental Assistance for working families;
- LINC II: Rental Assistance for families with multiple shelter system stays over a period of time and multi-system involvement;
- LINC III: Rental Assistance for survivors of domestic violence;
- LINC IV: Rental Assistance for seniors and for adults receiving Supplemental Security Income, Social Security Disability, or veterans disability benefits;
- LINC V: Rental Assistance for working adults; and
- LINC VI: Rental Assistance for families with children already in shelter who exit to live with relatives or friends.

We are also working with the City Department of Housing Preservation and Development to transfer HOME Section 8 funds to HRA to implement a new program to help alleviate homelessness. Subject to approval from the US Department of Housing and Urban Development, HPD will allocate \$20 million of its Federal HOME grant to HRA for a Tenant Based Rental Assistance (TBRA) program to move more than 1,200 homeless families out of shelters and into housing beginning in FY'16. This rental assistance will be targeted to families in shelters receiving SSI and Social Security benefits. The program will begin operation this summer.

For these programs to prevent and alleviate homelessness to be successful, a significant investment from both the City and State is essential. We appreciate your assistance in obtaining these allocations in the FY'16 budget:

- \$220 million over four years for rental assistance and related homelessness assistance;
- \$15 Million to prevent evictions and alleviate homelessness through a pilot program to increase supplemental housing allowances that have not been raised in over a decade; and
- 3,900 new supportive units for New York City.

However, there is much more that is needed to address the continuing high numbers of children and adults in the shelter system. We are looking forward to continuing to work with our State partners to respond to this urgent problem.

Legislative Priorities

As we continue to work with our State government partners like you, we want to highlight our priorities for the remainder of the session:

1. **Conciliation**: We have supported S3596. This legislation would clarify notice requirements, conciliation procedures and sanctions in cases when the recipients of public assistance have not complied with employment program requirements.

By clarifying notice requirements and conciliation procedures we will be able to improve the administration of the Cash Assistance program and more effectively address the problem of unnecessary fair hearings and the associated cost for the State.

By modifying the present Cash Assistance sanction time frames for recipients willing to come into compliance with program rules, the proposed legislation provides an important new tool for us to use to encourage program engagement and compliance. Such proposals will reduce the number and cost of State fair hearings related to sanctions, increase compliance by New Yorkers willing to adhere to program requirements, and, most importantly, end the suffering of many families struggling through extended periods of unnecessary sanctions despite the fact that the client is willing to comply, which can lead to nonpayment of rent to landlords, evictions and homelessness.

2. **Fair Hearing Chargeback**: In the 2014 budget, a statutory change was enacted to subject New York City to a \$10 million penalty if the City did not successfully eliminate its backlog of fair hearings. The backlog was more than 70,000, which the City has essentially eliminated. To the extent the chargeback was enacted to address the backlog, that need has been eliminated but unfortunately the chargeback language continues to be in effect until it sunsets on March 31, 2016.

The formula in the chargeback provision is calculated in a way that penalizes the City for the cases that are withdrawn at the time of the hearing. Now that the backlog has been resolved, under the current methodology, in order to avoid the penalty HRA would have to conduct full hearings, even when the issue has been resolved prior to the hearing, rather than withdraw cases at the time of the hearing.

In the event that the statutory chargeback provision is not deleted entirely, we suggest a revision that would require the City to provide quarterly reports outlining the efforts the City has made to minimize any existing backlog, and providing that if the reports are not submitted or the backlog grows over four or more consecutive quarters, the City would be subject to the existing chargeback methodology and penalty.

3. Homelessness Prevention and Housing Assistance: The cost of shelter for a family is substantially more than that of permanent housing. One promising provision in the State budget process has been the focus on the rent levels for the Family Eviction Prevention Supplement (FEPS) program. Unlike the HUD fair market rent levels, the FEPS maximum rent standard has not increased since 2005 when it was set at \$1,050 (but only funded up to \$850). When the City launched the State-City LINC program last September at a lower level (\$1,200), we learned that private market rents are at least at the HUD fair market levels and very little housing is available below the HUD levels.

We look forward to working with our partners in State government and you as we address this issue. We also suggest that we work together to evaluate the relationship between current lawful rent levels in New York City and the underlying shelter allowance (\$400 for a family of four) that has been flat since it was implemented in 2003.

Likewise, we would like to work with you on the effort to increase the amount of available supportive housing in New York City. The first three NY/NY agreements between the City and State have clearly demonstrated that supportive housing is a proven cost-effective and humane way to alleviate homelessness.

* * * * *

We have accomplished a great deal over the past year, and we will continue with our reform initiatives during the coming year. With your assistance, enactment of our legislative priorities will further these reform efforts to enhance assistance and services for low-income children and adults in New York City. Thank you again for this opportunity to testify and I welcome your questions.

Work Sanctions & Welfare:
A Cost-Benefit Analysis of New York's Proposed Sanction Reform Bill

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Introduction

New York State has one of the highest work sanction rates in the United States (Federation of Protestant Welfare Agencies, 2012). In 2013, the New York State Office of Temporary and Disability Assistance (OTDA) estimated that 113,556 beneficiary households were sanctioned. In New York City alone, an average of at least 20 percent of the case load is in sanction status or in the process of being sanctioned at any given time (New York City, 2014). This sanction is a pro-rata reduction or full closing of the violator's portion of the welfare transfer and can be imposed for periods that range from 1 to 180 days, with the average sanction, according to state-wide statistics, lasting for an average period of 116 days. Many times, these sanctions are imposed incorrectly. Over 50 percent of those employment sanctions challenged in State administrative fair hearings are resolved in favor of the client. As a result of this high sanction rate, families often face increased risk of poverty, homelessness, and increased healthcare costs.

Assembly Bill 2669 (A.2669) was introduced to the New York State Assembly in 2013 to prevent sanctions and limit the ill effects wrongly imposed sanctions have on participants. It allows participants an opportunity to avoid a sanction by agreeing to comply with the work rules. Additionally, the proposed bill requires social service districts to verify that appropriate childcare, transportation, and accommodations for individuals with disabilities were in place at the time of a participant's failure to comply with the work requirements, and to verify that participants are not exempt from work requirements under state law. The bill also limits the period participants are sanctioned to however long it takes for them to re-engage in work requirements instead of minimum durations of up to six months.

A cost-benefit analysis was conducted to examine the costs and benefits of the proposed changes. These costs and benefits were computed based on the assumption that there would be a 16% reduction in the number of welfare beneficiaries who are sanctioned under the proposed legislation. To determine the decrease in sanction cases, state data was used to calculate the percentage of sanction cases that requested a fair hearing and the percentage of cases that actually attended the fair hearing and won their case. These figures were used because it is believed that they are the most accurate reflection of the number of participants that would avoid sanctions under the new law by agreeing to comply with the work rules. This estimate is the most conservative estimate of sanction cases that could be made with existing data.

Specifically, OTDA (2013) reports that between June 2012 and June 2013, 46% of sanctioned households requested a fair hearing, among which, 50% of them were held, and 68% of the cases held were reversed. As a result, we can calculate that 23% (46% x 50%) of the sanctioned households went to fair hearings, and 16% (46% x 50% x 68%) of the sanctioned

household went to fair hearing and won the case. Therefore, to be conservative, it is estimated that with the implementation of the proposed policy, the minimum number that total sanction cases will fall by is 18,169 ($113,556 \times 16\%$).

Costs and benefits were separated into two categories: monetary and non-monetary. The monetary costs of the proposed bill include welfare transfers, administrative costs, expenditures on childcare, transportation, and other services, and the cost of participants' time. The benefits include reduced time spent on fair hearings, in-program output, reduced homelessness (this includes the reduced cost of shelter and foster care), reduced cost of hospitalizations (including the value of lives saved), and increased earnings due to increased educational opportunities. Because this legislation will prevent participants who are in the process of being sanctioned from temporarily losing their welfare benefits, it is projected that this change in legislation will increase government expenditures. However, according to our analysis, the comprehensive social benefits and government savings associated with this bill outweigh the costs of executing this legislative change (See Table 3 at the end of this paper).

Monetary Costs

1. Administrative costs of Welfare Transfers

Because the proposed bill will reduce the number of participants who are sanctioned, there is an increase in the payment of welfare transfers, which translates into an increased cost for state and federal government. The Administration for Children & Families of the U.S. Department of Health and Services (2012) reported that the monthly average grant reduction per household is \$164.35, which means that the daily average grant reduction per households is \$5.50 ($\$164.35/30$). As stated previously, households in New York State were sanctioned for an average of 116 days. Using this figure, the estimated change in the monetary amount of benefits sanctioned households will receive under the proposed bill can be determined. To find this figure, the grand reduction per household was multiplied by a participant's average sanction duration – this totals \$638 ($\5.5×116) per household per year. Based on the assumptions of this analysis, the proposed bill will help 18,169 households avoid sanctions, which means it will cost \$11,591,822 ($18,169 \times \638) to increase welfare transfers to the participants. According to Gruber (2011), the administrative cost of TANF is roughly 10% of its welfare transfers. Therefore, it is estimated that the administrative costs of TANF benefits per year is \$1,159,182 ($\$11,591,822 \times .10$).

2. Administrative Conciliation Costs

The increased conciliation cost is the most significant change to administrative costs within this legislative change, although it is relatively small. State law currently gives participants the option of a conciliation meeting with the local agency to resolve a sanction. If the participant can establish "good cause" at the conciliation, the infraction is resolved. Otherwise, the sanction goes into effect. Under the new law, a participant can stop the sanctioning process by agreeing to comply with work rules at a conciliation held by a local agency, not just by proving "good cause." Since it is easier to establish willingness to comply

Work Sanctions

with work rules than proving “good cause,” it is expected that the number of participants electing to attend conciliation will increase under the new law.

Conciliation is usually 5 to 10 minutes with a supervisor and a client involved (Strom, 2014). The cost of one conciliation is calculated as 10 minutes of a supervisor’s salary. The average annual salary of a case manager in New York is between \$35,000 - \$40,556 (Career Builder, 2014; Glassdoor, 2014). Using this salary range, a 10-minute conciliation will cost from \$2.7 ($\$35,000 \div 12 \div 20 \div 9 \div 6$) to \$3 ($\$40,556 \div 12 \div 20 \div 9 \div 6$) of a supervisor’s salary. Utilizing the cost of \$3 per conciliation, if the 18,169 people that will not be sanctioned under the new law all request a conciliation, the total cost of increased conciliation will be about \$54,507 ($\$3 \times 18,169$) per year.

3. Expenditures on Child Care, Transportation, etc.

The costs for participants who attend a conciliation include childcare and transportation. Knowing a conciliation lasts 5 to 10 minutes, and assuming that it takes a total of fifty minutes (25 miles/minutes each way) to travel to and from the local agency, a participant will have to pay for the cost of that one hour of child care and transportation. According to the Bureau of Labor Statistics, the median wage for a childcare worker is \$9.43 (Foster & Hawk, 2013). Additionally, the cost of public transportation is \$2.50 in each direction in New York City, while the cost of one gallon of gas in New York State is \$3.85. According to the University of Michigan’s Transportation Institute, the average miles per gallon obtained in 2013 was 24.8 miles per gallon. Therefore, total expenditures on childcare and transportation ranges from \$262,179 ($(2.50 \times 2 + 9.43) \times 18,169$) to \$311,234 ($(3.85 \times 2 + 9.43) \times 18,169$). This results in an average total expenditure of \$286,707.

4. Participants’ Time

When a participant attends either a conciliation or a fair hearing, the opportunity cost to them must be taken into account. The opportunity costs include time spent at work or time spent with children. Because there is a wide variance in an individual’s opportunity cost of a conciliation, and because this legislation has yet to be implemented, the actual opportunity cost is unknown. However, welfare fair hearings, based on a similar hearing structure used in Medicaid’s eligibility decisions, take a maximum of one hour. Therefore, it can be assumed that TANF fair hearings will also take a maximum of one hour. Assuming that participants labor is worth at least minimum wage--\$8 an hour, the cost of participant’s time can be calculated. Knowing that fair hearings take up to an hour to complete, and that 18,169 sanctions were overturned, the total cost of participants’ time spent on fair hearings is \$145,352 ($18,169 \times 8$).

Monetary Benefits

1. Reduced Administrative Costs of Fair Hearings

Under the current law, if Family Assistance participants fail to comply with the work requirement two or more times, they cannot stop the sanction process by expressing a

“willingness to comply”. However, they can choose to request a fair hearing to prove that their failure to comply is based on “good cause”. As a result, the administrative cost of fair hearings is significant, and can be largely reduced by the implementation of the proposed bill. According to the Federation of Protestant Welfare Agencies (FPWA) (2012), New York City spent \$18 million on hearings in 2011, over 50% of which were reversed. According to the FPWA’s 2012 Report, the administrative cost per fair hearing is \$314. Applying the assumptions above to the 18,169 in case reductions, the total savings can be calculated. Using these numbers, it was calculated that \$5,705,066 ($18,169 \times \314) could be saved in administrative costs from the reduction in fair hearings.

2. Reduced Opportunity Cost of Participants’ Time Spent on Fair Hearings

In addition to the reduction in the administrative costs of fair hearings, the opportunity cost of participants’ time spent on fair hearings can be reduced. Based on a similar fair hearing structure in Medicaid’s eligibility decisions, it normally takes approximately one hour to hold a fair hearing. It is assumed that welfare sanction fair hearings will also be about one hour, and that the wage value for every participant involved in fair hearing process is New York’s minimum wage – \$8 per hour. As a result, \$145,352 ($18,169 \times \8) of opportunity cost could be saved by participants.

3. In-Program Output

TANF requires participants to meet work requirements through attending work-related education and training, and performing subsidized and unsubsidized work (U.S. Department of Health and Human Services, 2012). Assuming that less people will be sanctioned after the proposed bill is implemented, then more beneficiaries will participate in work programs. Because there is an opportunity cost of participants’ labor - they could spend their time working another job, being at home with their family, and so on - this could be a cost for participants. However, the increase in participants’ in-program output will lead to an increase in the benefits to non-participants because they may otherwise have to pay workers to do the work participants perform during their work program. If the benefits non-participants receive outweigh the cost for participants, the in-program output would actually be an overall benefit to society.

Specifically, TANF requires a participant with no children to work a minimum of 30 hours a week and a participant with children to work a minimum 20 hours a week. As stated above, participants can meet the working hour requirement by attending work-related education or training, or by performing subsidized or unsubsidized work. In 2010, 27.6% of TANF recipients performed unsubsidized work in New York in 2010 (U.S. Department of Health and Human Services, 2012). Assuming that among the 18,169 reduced cases, 27.6% will perform unsubsidized work, the total increase in the number of people who will contribute to in-program output is about 5,015. Furthermore, the average weekly work hours for a participant in NYS is 15 hours (OTDA, 2011). Using a minimum wage of \$8 an hour (New York State Department of Labor, 2013), the total increase in in-program output per week will be \$601,800 ($8 \times 15 \times 5,015$). Therefore the total annual increase in in-program output will be \$28,886,400 ($601,800 \times 4 \times 12$).

4. Reduced homelessness

Loss of public assistance grants can lead to homelessness, which increases overall costs for society. Homelessness leads to increased shelter costs, increased foster care costs - because homeless children are more likely to be put into care - and increased hospitalization costs (Fording et. al, 2013; FPWA, 2012). However, reducing homelessness can lead to benefits for society as a whole. Reducing homelessness increases benefits for participants who can keep their housing and avoid health deterioration that can lead to costly emergency room visits, illness, and early death (Fording et. al, 2013; FPWA, 2012). Decreasing homelessness can also reduce the cost of foster care services by reducing the number of children who enter into the system (Fording et. al, 2013; FPWA, 2012). Lastly, reductions in the rate of homelessness is a benefit for non-participants because their tax dollars will not be spent on the additional costs of shelter, foster care, and hospitalization services, and they will receive an increase in transfers from participants who were able to avoid homelessness. As a result, lowering the rate of homelessness will be a benefit to society as a whole.

Reduced Cost of Shelter

The chances of becoming homeless after being sanctioned have been estimated to be anywhere from 7 % to as high as 23 %. (Legal Momentum, 2010; Coalition for the Homeless, 1999). To be conservative, it can be assumed that 7% is the upper bound of the estimated percentage of sanctioned families who will become homeless. To determine the benefits of the reduced costs of shelter, a partial sensitivity analysis was performed to establish the savings for this benefit for different changes in the percent reduction of sanctioned families who become homeless.

Assuming that 7% of beneficiaries who are sanctioned will become homeless, and that 18,169 households will avoid sanctions under the proposed bill, it is estimated that 1,272 (18,169 x .07) households will avoid becoming homeless and going into shelters. In 2013 the average cost of housing a family in shelter was \$36,799 per year, which equals \$101/day (Markee, 2013). To determine the approximate number of days that sanctioned households spend in homeless shelters, it is necessary to ascertain the proportional length of stay in shelters for homeless people. According to New York City's Department of Homeless Services (New York City, DHS, 2013), the average length of stay per homeless household in a shelter is 294 days. So under the proposed bill it is estimated that \$37,770,768 (1,272 x \$101 x 294) can be saved per year through reducing the cost of shelter. However, even if the percentage of the sanctioned families who become the homeless is less than 7%, the cost of shelter will still be reduced, as evidenced below in Table 1.

Table 1. Partial Sensitivity Analysis of the Reduced Cost of Homelessness			
Percentage of sanctioned families that become homelessness	1%	4%	7%
Reduced costs of shelter	\$5,395,103	\$21,580,411	\$37,770,768

Reduced cost of foster care

Homelessness has a significant impact on the likelihood of a child entering foster care. Studies have shown that even when controlling for risk factors such as income, the number of children per household, race, and parents’ level of education, the likelihood of a child entering foster care is heightened when they experience homelessness (Culhane, Webb, Grim, Metraux, & Culhane, 2003). In fact, a study conducted in New York City in 2002 found that 11% of children from homeless families were in foster care after their first shelter admission (Cowal, Shin, Weitzmann, Stojanovic, & Labay, 2002). Understanding that this legislative change will likely lead to a decrease in the cost of foster care, the monetary benefits of the reduced cost of foster care, foster care rates (the rate foster parents and group homes are paid to care for children), caseworker wages, and the length of stay for a child in foster care must all be determined to calculate the reduction in cost.

The median length of stay in foster care in New York City was 11.5 months. Therefore, assuming that 7% of sanctioned families become homeless, and each that family has just one child, it is estimated that there are 1,272 (18,169 x .07) children who become homeless due to sanctions. Then, using the percentage given above, it is calculated that 11%, or 140, of these homeless children go into foster care. Applying these given statistics, Therefore, the minimum estimated cost of subsidies¹ for homeless children who enter foster care is \$1,096,676.28².

Accepting that child welfare case managers work a case for six months--allowing time for possible child welfare measures and court orders to take place--before a child enters foster care, case managers will be paid a minimum of \$51,041 (((\$35,000 ÷ 12) x (11.5 + 6))= \$51,041). The other important aspect of the foster care system that must be taken into account is the average caseload of child welfare case managers. According to the American Public Human Service Association (APHSA), child welfare case workers average a caseload of 24 children at any given time (Izmir, Yackoub & Moss, 2007). Therefore, for the 140 children at risk of going

¹ As of June, 2013, New York state’s Office of Children and Family Services (OCFS) has set the maximum monthly subsidy for foster care placements at \$530.46 per child ages 0-5, \$643.98 per child ages 6 to 11, \$763.19 per child 12 to 15, and \$778.41 for a child 16 and over in the upstate New York area. The maximum monthly subsidies in the metro area range from \$578.46 for a child ages 0-5, \$687.98 for a child ages 6 to 11, \$816.19 for a child ages 12 to 15, and \$829.41 for a child 16 and over (OCFS, 2013). As stated previously, the average annual salary of a case manager in New York is between \$35,000 - \$40,556 (Career Builder, 2014; Glassdoor, 2014). In New York City 35% of the foster care population is between 0-5 years of age, 24.6% is between 6-11 years of age, and 40.4% is 12 years and older (ACS, 2011).

² (49 x 530.46 x 12)+(34 x 643.98 x 12)+(57 x 763.19 x 12)=\$1,096,676.28

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into foster care, there are approximately 6 caseworkers assigned amongst them. Therefore the most conservative estimate of case managers' salaries is \$306,246 ($\$51,041 \times 6$). Using these figures, the total estimated benefit of reduced foster care due to reductions in homelessness caused by sanctions is \$1,402,922.28 ($\$1,096,676.28 + \$306,246$).

5. Reduced Cost of Hospitalizations

Recognizing the increased health risks associated with families who experience sanctions, it is suggested that one of the largest monetary benefits to the proposed sanction reform legislation is a reduction in healthcare spending. To estimate the monetary benefit of reduced health care spending, data from the Bureau of Labor Statistics and the New York State Office of Temporary and Disability Assistance (OTDA) was used. To determine the cost of the monetary benefit of health care to the state of New York, the average cost of healthcare per participant was calculated and then multiplied by the expected decrease in sanctioned households.

As previously mentioned, it is expected that 18,169 less households will be sanctioned each year, meaning that 1,272 households will not be at risk of becoming homeless or encountering an increase in hospitalizations. According to a 2002 study, children in families who experience welfare sanctions are 30% more likely to be hospitalized (Children's Health Watch, 2002). It should be noted that this estimate is most likely a higher estimation of percentage of hospitalizations due to the sample selection in the study. However, assuming that all 1,272 households who avoid homelessness have one child, this means that 30%, or 382 households can avoid an emergency room visit. FPWA estimates that the average cost of an emergency room visit with Medicaid is \$150. Applying this cost to the total number of emergency room visits averted, the total estimated benefit is \$57,300 ($382 \times \150) if sanctions can be avoided for these households.

Value of life saved

Homelessness can lead to premature death. Between 2001 and 2003, the death rate of homeless adults in New York City was 2.19%, which is twice as high as that of the general adult population in New York City, which was 1.04% (New York City DHS, 2005). Assuming that 7% of families who would have been sanctioned would also experience homelessness, 1,272 ($0.07 \times 18,169$) families with at least one adult would have experienced homelessness under the current policy. Then, if 2.19% of the families experience premature death after becoming homeless, this will result in 28 ($0.0219 \times 1,272$) premature adult deaths among households who were sanctioned and became homeless. Because there will be deaths that occur regardless of whether the individual enters the shelter system, the number of adult deaths is conservatively reduced to 25.

Using Boardman, Greenberg, Vining, and Weimer's shadow price value of life that ranges from \$2.5M to \$4M, and assuming that 25 deaths will be avoided, the total value of life saved will range from \$62.5 to \$100 million per year for 25 deaths avoided. To estimate the value of life saved, the average age of an adult in shelter, the life expectancy for an adult in shelter, and life expectancy of the counterpart population - the adult population without high school diplomas - was determined and discounted at 10%. According to data from the United

States Substance Abuse and Mental Health Services Administration (2011), the average age of an adult in shelter is 40 years old. Statistics calculated by New York City’s Department of Homeless Services show that the average life expectancy for an adult who has experienced any length of stay in the shelter system is 60 (New York City DHS, 2005). Lastly, the life expectancy of an individual who does not have a high school diploma is 74 (Olshansky et. al, 2012).

To discount the minimum value of life saved, a discount rate of 10% was used, and the added value of 14 years (74-60) must be calculated, starting at 60 because that is when the added value of life begins. To calculate the present value of life at a life expectancy at 60 years of age, the value of life for 25 deaths, \$62.5M, is discounted for 20 years ($\$62.5M \div (1 + .10)^{19}$). The remaining thirteen years were calculated using the same methodology, resulting in a minimum value of life saved of $\$85.5M^3$.

To calculate the maximum value of life saved, a discount rate of 10% was also used, and the calculations also started at 60. The maximum shadow price for value of life, \$100M, was used. Using the same calculations starting at 60, the maximum value of life saved is $\$136.8M^4$. Therefore, using Boardman, Greenberg, Vining, and Weimer’s shadow price value of a life, 25 avoided deaths will result in a marginal year of life valued at \$85.5M to \$136.8M to society. This results in an averaged benefit of \$111.2M.

Using a sensitivity analysis, results show that even if the percentage of families who experience homelessness after being sanctioned is below 7%, the value of life saved will still be a benefit to society.

Table 2. Partial Sensitivity Analysis of the Reduced Cost of Hospitalizations			
Percentage of sanctioned families that become homelessness	1%	4%	7%
Value of life saved	\$16,416,243.07	\$57,798,855.81	\$111,151,645.80

6. Increased Lifetime Earnings for Participants’ Children

Aratani (2009) and Routhier (2012) found that homeless children have lower academic achievement, poorer school performance, and are less likely to complete high school when compared with children who were never homeless. The proposed legislation can reduce the likelihood of sanctioned households with children becoming homeless, thus increasing the chances of children gaining a high school diploma. Increased educational opportunities will result in an increase in lifetime earnings of participants because there is a positive correlation between increased educational attainment and earnings (AAUW, 2009). According to the U.S.

³ $(\$62.5M \div (1 + .10)^{19}) + (\$62.5M \div (1+.10)^{20}) + (\$62.5M \div (1+.10)^{21}) + \dots (\$62.5M \div (1+.10)^{33}) = \$ 85.5M$

⁴ $(\$100M \div (1+.10)^{19}) + (\$100M \div (1+.10)^{20}) + (\$100M \div (1+.10)^{21}) + \dots (\$100M \div (1+.10)^{33}) = \$136.8M$

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Bureau of Labor Statistics, workers with high school degrees earn \$716 more in monthly earnings when compared to workers without high school diplomas (Foster & Hawk, 2013). Therefore, the proposed bill will lead to an increase of \$8,592 ($\716×12) in future earnings per year for every child who is currently on the path to becoming a high school dropout due to homelessness caused by the TANF sanctions on their family.

It is estimated that the high school dropout rate for homeless children is approximately 13% (Children Trends Database, 2014). To be more conservative it is assumed that 10% of the high school dropouts of homeless children can be avoided due as a result of implementation of the proposed bill. As established earlier, implementation of this legislation will result in 1,272 households avoiding homelessness. To continue being conservative, it is assumed that every household only has one child, thus totaling 1,272 children in the families who are spared a sanction under the proposed bill. Among the 1,272 children, 127 ($.10 \times 1,272$) of them will complete high school. This results in a \$1,091,184 ($127 \times \$8,592$) increase in earnings per year in the future.

However, since the benefits of increased earnings for these children are a future benefit, it is necessary to discount the earnings to present value. The average age of children in TANF is 7 years (U.S. Health and Human Services, 2012) and it is assumed that children will begin enter the labor force at the age of 18, which means that increased earnings should be discounted discount out over 11 years. Assuming that the average age of retirement is 65 years old, it is calculated that people will usually have 47 active years within the labor force. To be conservative, it is accepted that total working years of retiring adults is 40 years, and a discount rate of 10% is used. As a result, the present value for the first year children's increased earning after 10 years is \$420,699 ($\$1,091,184 \div (1+.10)^{10}$). Therefore the present value of the increased earnings for 40 years' work after the children begin to work is \$4,114,026⁵.

Excess Burden of Taxes

The implementation of this program will result in a decrease in the number of TANF beneficiaries sanctioned, which will create an increase in the welfare transfers received by TANF beneficiaries. This will lead to an increase in government expenditures, which results in a change the amount of taxes paid into welfare programs. To measure the effects of this new allocation of taxes, the total administrative costs and savings of this legislative change must be determined. Once all of the administrative costs listed above are added together the total government expenditures on this legislation change will be \$1,213,689 ($0 + \$1,159,182 + \$54,507$). When all of the government savings, which are also social benefits, are considered - reductions in the cost of fair hearing trials, sheltering the homelessness, foster care and hospitalizations - the total amount of government savings produce through this legislation is \$44,936,056.28 ($\$5,705,066 + \$37,770,768 + \$1,402,922.28 + \$57,300$).

Utilizing the figures determined above, the net government savings will be \$43,722,367.28 ($\$1,213,689 - \$44,936,056.28$). Boardman, et. al (2001) state that the midpoint

⁵ $(\$1,091,184 \div (1+.10)^{10}) + (\$1,091,184 \div (1+.10)^{11}) + (\$1,091,184 \div (1+.10)^{12}) + \dots + (\$1,091,184 \div (1+.10)^{50}) = \$4,114,026$

estimate of the marginal excess burden of taxes (MEBT) in the United states \$0.23. So, for each dollar of government expenditures, an individual taxpayer will have to pay an additional \$.23 in taxes. Therefore, the total cost of the excess burden of taxes will be - \$10,056,144.47 (-\$43,722,367.28 x .23) per year.

Non-monetary benefits

Certain types of benefits cannot be monetized, and hence are not included in the analysis of costs and benefits. There are five such non-monetary benefits: physical well-being of participants, reduced food insecurity, reduced dependence on welfare, reduced poverty, and reduced stigma. Since health problems are a major cause of the noncompliance resulting in a sanction (FPWA, 2012), the change will allow participants to take more care of their health, leading to better physical well-being, which also has a positive influence on non-participants. However, this change may also increase their health expenditures, which is a cost to taxpayers. Thus, it is hard to see whether improvements in physical well-being are beneficial to society as a whole. Secondly, sanctioned families are more likely than their counterparts who still receive welfare to suffer from food insecurity (Lee, Slack, & Lewis, 2004; Lens, 2006; & FPWA, 2012). Thus, this change will make it easier for vulnerable families under threat of a work sanction to keep their benefits and, in turn, improve their well-being.

Deepened poverty results when sanctioned beneficiaries are unable to achieve self-sufficiency because they are cut off from work support services, including transitional benefits to help them find and keep jobs (FPWA, 2012). Even when receiving full benefits, families on public assistance are living below 50% of the Federal Poverty Level (FPWA, 2009). Thus, the decreased barriers to maintaining benefits under the proposed policy will help reduce poverty, which benefits both participants and non-participants. Welfare has about a 25%-33% recidivism rate, which increases long-term welfare costs (FPWA, 2012). As of May 2014, New York City had 20% of its caseload sanctioned or going through the sanctioning process. These families are more vulnerable to financial instability, which, with their previous sanction history, increases their chances of being dependent on welfare in the long run (FPWA, 2009). Recognizing this, it can be said that the proposed policy will likely reduce poverty. This is a benefit to participants, taxpayers, and the whole society.

Lastly, research shows that stigma is a deterrent from participation in welfare programs (Stuber & Kronebusch, 2004). Common sources of stigma include the belief that people on TANF have a poor work ethic, a general lack of personal responsibility, and a sense of entitlement to government benefits (Lens, 2006). Knowing this, it is expected that legislation offering beneficiaries an opportunity to demonstrate their willingness to comply will act like a “show of good faith” and will lessen feelings of stigma among some beneficiaries. This would have a positive effect on the future participation of welfare beneficiaries in work-related programs. The preliminary effect of this reduction in stigma is positive because it would be a benefit to both participants and non-participants.

Table 3. Analysis of Costs and Benefits for Bill A.2669/S.4830

		Society	Tax Payers	Beneficiaries
Costs - Monetary				
1	Welfare Transfers	\$0	\$11,591,822	(\$11,591,822)
2	Administrative Costs for Welfare Transfer	\$1,159,182	\$1,159,182	\$0
4	Administrative Costs for Conciliation	\$54,507	\$54,507	\$0
5	Expenditures on Child Care, Transportation etc.	\$286,707	\$0	\$286,707
6	Participants' Time	\$145,352	\$0	\$145,352
Total Cost		\$1,645,748	\$12,805,511	(\$11,159,763)
Benefits - Monetary				
1	Reduced administrative costs of fair hearings	\$5,705,066	\$5,705,066	\$0
2	Reduced opportunity cost for the time spent on fair hearings	\$145,352	\$0	\$145,352
3	Increased welfare workers' output	\$28,886,400	\$28,886,400	\$0
4	Reduced Homelessness			
	(1) Reduced Cost of Sheltering	\$37,770,768	\$37,770,768	\$0
	(2) Reduced Cost of Foster Care	\$1,402,922	\$1,402,922	\$0
5	Reduced cost of Hospitalizations	\$57,300	\$57,300	\$0
6	Decrease in government expenditures (excess burden)	(\$10,056,144)	(\$10,056,144)	\$0
Total Monetary Benefit		\$63,911,664	\$63,766,312	\$145,352
Quantification of Social Benefits				
1	Value of life saved	\$111,151,646	\$0	\$111,151,646
2	Increase Earning due to Increased Education Opportunity	\$14,925,339	\$0	\$14,925,339
Total Social Benefit		\$126,076,985	\$0	\$126,076,985
Net Benefit		\$188,42,901	\$50,960,801	\$ 37,382,100
Net Benefit without Quantification of Social Benefits		\$62,265,916	\$50,960,801	\$11,305,115

V. Conclusion

After analyzing both the costs and benefits of the proposed non-durational sanction policy, it can be concluded that the benefits far outweigh the costs. According to the calculations computed above, the monetary costs of the proposed policy total \$ 1,645,748. The net present benefits total \$63,911,664. Accordingly, the implementation of A.2669/S.4830 will have a net present benefit of \$62,265,916. If future social benefits are included, the net benefit increases to \$188,342,901. In sum, according to the basic rules that govern economics, this legislation will produce a “win-win” situation where society will reap a benefit as a result of the implementation of sanction reform in New York State.

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		Society	Tax Payers	Beneficiaries
Costs - Monetary				
1	Welfare Transfers	\$0	\$11,591,822	(-\$11,591,822)
2	Administrative Costs for Welfare Transfer	\$1,159,182	\$1,159,182	\$0
4	Administrative Costs for Conciliation	\$54,507	\$54,507	\$0
5	Expenditures on Child Care, Transportation	\$286,707	\$0	\$286,707
6	Participants' Time	\$145,352	\$0	\$145,352
Total Cost		\$1,645,748	\$12,805,511	(-\$11,159,763)

Benefits – Monetary				
1	Reduced administrative costs of fair hearings	\$5,705,066	\$5,705,066	\$0
2	Reduced opportunity cost for the time spent on fair hearings	\$145,352	\$0	\$145,352
3	Increased welfare workers' output	\$28,886,400	\$28,886,400	\$0
4	Reduced Homelessness			
	(1) Reduced Cost of Sheltering	\$37,770,768	\$37,770,768	\$0
	(2) Reduced Cost of Foster Care	\$1,402,922	\$1,402,922	\$0
5	Reduced cost of Hospitalizations	\$57,300	\$57,300	\$0
6	Decrease in government expenditures	(\$10,056,144)	(\$10,056,144)	\$0
Total Monetary Benefit		\$63,911,664	\$63,766,312	\$145,352

Quantification of Social Benefits				
1	Value of life saved	\$111,151,646	\$0	\$111,151,646
2	Increase Earning due to Increased Education Opportunity	\$14,925,339	\$0	\$14,925,339
Total Social Benefit		\$126,076,985	\$0	\$126,076,985

Net Benefit	\$188,342,901	\$50,960,801	\$137,382,100
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Net Benefit without Quantification of Social Benefits	\$62,265,916	\$50,960,801	\$11,305,115
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**Testimony of The Legal Aid Society
Senate Task Force on the Delivery of Social Services in New York City
Chaired by Tony Avella, Senator for the 11th District
April 16, 2015, 11 a.m.
Senate Hearing Room
250 Broadway, 19th Floor
New York, New York 10007**

The Legal Aid Society is very pleased to testify before the first hearing held by the Senate Task Force on the Delivery of Social Services in New York City to highlight issues of concern to our clients. We are particularly concerned about the record number of homeless families in the New York City shelter system, and want to highlight two State-level social services initiatives that address directly the causes of homelessness in New York City: (1) raising and reforming the shelter allowance and homeless prevention subsidies after more than a decade of inaction to enable people to stay housed in private apartments; (2) making common sense reforms to conciliation and sanction policies to facilitate the stability of low-income families struggling to keep their public assistance cases open and obtain or maintain jobs and prevent the unjustified imposition of penalties on welfare recipients. We also encourage the Senate Task Force to push for the reintroduction and passage of legislation that preserves scarce child care dollars for low-income working families by exempting parents of infants receiving welfare from engagement requirements for up to one year.

ABOUT THE LEGAL AID SOCIETY

The Legal Aid Society (“LAS”), the nation’s oldest and largest not-for-profit legal services organization, is more than a law firm for clients who cannot afford to pay for counsel. It is an indispensable component of the legal, social, and economic fabric of New York City – passionately advocating for low-income individuals and families across a variety of civil, criminal and juvenile rights matters, while also fighting for legal reform.

The Legal Aid Society has performed this role in City, State and federal courts since 1876. It does so by capitalizing on the diverse expertise, experience, and capabilities of 1,100 of

the brightest legal minds. These 1,100 Legal Aid Society lawyers work with more than 700 social workers, investigators, paralegals and support and administrative staff. Through a network of borough, neighborhood, and courthouse offices in 26 locations in New York City, the Society provides comprehensive legal services in all five boroughs of New York City for clients who cannot afford to pay for private counsel.

The Society's legal program operates three major practices – Civil, Criminal and Juvenile Rights – and receives volunteer help from law firms, corporate law departments and expert consultants that is coordinated by the Society's Pro Bono program. With its annual caseload of more than 300,000 legal matters, The Legal Aid Society takes on more cases for more clients than any other legal services organization in the United States. And it brings a depth and breadth of perspective that is unmatched in the legal profession.

The Legal Aid Society's unique value is an ability to go beyond any one case to create more equitable outcomes for individuals and broader, more powerful systemic change for society as a whole. In addition to the annual caseload of 300,000 individual cases and legal matters, the Society's law reform representation for clients benefits some two million low-income families and individuals in New York City and the landmark rulings in many of these cases have a State-wide and national impact.

Through our Public Benefits practice, we represent a large number of clients who are forced to rely upon public assistance to get through difficult times that are often caused by a change of circumstances, such as unemployment, disabling medical and mental health conditions, domestic violence, homelessness or even the need for child care. We also provide legal services to thousands of low-wage workers each year through our Employment Law Unit, working to ensure these workers receive fair wages, fair treatment, decent working conditions, and the benefits to which they are entitled if they lose their jobs. The Society wins over 90 percent of the cases that go to court or administrative hearings.

Through our Homeless Rights Project, The Legal Aid Society serves as counsel to the Coalition for the Homeless ("CFH") and for homeless women and men in the Callahan and Eldredge cases. The Legal Aid Society is also counsel in the McCain/Boston litigation in which a final judgment requires the provision of lawful shelter to homeless families.

RECORD HOMELESSNESS CONTINUES TO EXPAND IN NEW YORK

The data on homelessness in New York City indicates the urgency of the crisis: nearly 60,000 individuals – record numbers of children, adults and families – living in the New York City shelter system alone. Even more troubling is data suggesting that the shelter census was growing at annual rate of almost 20% between January 2013 and December 2014. State of the Homeless 2015, at p.21 available at <http://www.coalitionforthehomeless.org/wp-content/uploads/2015/03/SOTH2015.pdf> This trend means that, in the absence of dramatic and concerted efforts, we could be looking at more than 100,000 individuals living in homeless shelters within five years.

There are several major causes of the current family homelessness crisis. First, the housing affordability gap in New York has widened significantly in recent years. This gap is in part due to the lingering effects of the economic downturn and high unemployment, and in part due to soaring rental housing costs.

A second major factor responsible for the all-time record homelessness is the cut backs and elimination of priority use of Federal housing programs (public housing and Section 8 vouchers) for homeless children and families, followed by the replacement of those proven and successful Federal programs with ineffective subsidy programs (Housing Stability Plus and Advantage), and ultimately the termination of all housing assistance for homeless families in March 2011 that continued until the recent introduction of the LINC programs. These changes have triggered longer shelter stays – average shelter stays for homeless families with children have soared to 435 days (14.5 months) and for homeless childless families to 518 days (17 months).

Even if the State were to raise the shelter allowance and enhance subsidies for permanent housing, we still need to do more to assure that families subsisting on public assistance – often a supplement to earnings from low-wage work – do not remain vulnerable to homelessness. Adults subject to agency work rules are at risk of penalties (called “sanctions”) when there is an allegation that they failed to comply. The penalty is steep, a pro rata reduction in the family’s basic grant or case closing, for a minimum period of time, often 6 months or more. These penalties leave families vulnerable to homelessness. HRA estimated last year that approximately 9.7 percent of sanctioned public assistance recipients applied for DHS shelter after adverse action was taken on the case. Common sense sanction policy reform that helps to prevent baseless penalties from ever being imposed on families and ameliorates the impact of penalties that are imposed when the family members are willing to comply with agency rules would help further protect New Yorkers from homelessness.

Fortunately, there are existing State-level initiatives that address these causes of the homelessness crisis as described below as well as other pressing problems affecting New Yorkers. Combined with a renewed effort to align shelter supplements to reflect real-world housing costs, we have an opportunity for truly meaningful reform.

STATE INITIATIVES FOR ACHIEVING REFORM

Recommendations For Preventing Homelessness Among the Most Vulnerable New Yorkers

Recommendation #1: Raise the Shelter Allowance for Public Assistance Recipients

The basic shelter allowance is years – if not decades – out of date. For example, a mother with two children has a shelter allowance set at only \$400 per month. The current shelter

allowance bears no reasonable relationship to the cost of housing in New York City, and many other areas of the State. This is the legal standard articulated in Jiggetts v. Grinker, 75 NY 2d 411, 417 (1990). As a direct result of the inadequate shelter allowances, thousands of families with children in receipt of public assistance who do not live in subsidized apartments face the distress and disruption of eviction each year. The levels reflected in the table below have been set in place since 2003, when the State very modestly increased the allowances for families in New York City.

Current Shelter Allowance Levels:

<u># on PA</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
<u>Shelter</u>	\$277	\$283	\$400	\$450	\$501	\$524	\$546	\$546

The shelter allowance established in 2003 was set unrealistically low, even for then, when the median rent in New York City was almost \$900. Today, the shelter allowance schedule borders on the absurd. The median rent in New York City rose from \$839 to \$1100 between 2000 and 2012. See The Growing Gap: New York City's Housing Affordability Crisis, Office of the City Comptroller, April 2014. http://comptroller.nyc.gov/wp-content/uploads/documents/Growing_Gap.pdf. Between 2002 and 20012, New York City lost more than 400,000 apartments priced under \$1000. This contraction of relatively lower cost apartments is literally squeezing many of our clients out of their homes and eventually in to shelters. In the past two years, the upward trajectory on rents has continued, with prices increasing over 10% on average in many areas of the city. See, e.g., Market Trends for New York, N.Y. at <http://www.rentjungle.com/average-rent-in-new-york-rent-trends>.

The net result is that finding an apartment within the shelter allowance schedule for public assistance is nearly impossible.

The solution is clear. The Office of Temporary and Disability Assistance (“OTDA”) should take a first step on closing the affordability gap by resetting the shelter allowance to 50% of the Fair Market Rent in the local area. This would set the maximum shelter allowance standard at approximately \$745 for a family of three, still significantly below the FMR, but a tangible first step in addressing over a decade of housing cost inflation. The allowance could then be gradually raised from there in a series of phased-in increases, as was done with the cash assistance grant in 2009-2012.

Recommendation #2: Take Measures to Increase FEPS Subsidy To Close the Affordability Gap

Increasing the shelter allowance will help prevent homelessness for many families, but to truly address the affordability gap, subsidies provided through the FEPS “Family Eviction Prevention Supplement” program, which was introduced in New York City in 2005 to replace the old Jiggetts relief system, must be raised as well. Through the FEPS program, families on public assistance who are facing eviction or who have recently been evicted

receive an additional subsidy above their shelter allowance (“FEPS subsidy”) based on their family size.¹

FEPS subsidies themselves should be increased to make up the difference between the shelter allowance and the contract rent up to the FMR. As with the shelter allowance, the Office of Temporary and Disability Assistance has not adjusted the eviction prevention subsidies that districts can opt to provide in ten years.

The non-partisan Independent Budget Office (IBO) recently issued an instructive report drawn from data maintained by the New York City Department of Homeless on the reasons why people turn to the homeless shelter system. [The Rising Number of Homeless Families in NYC, 2002–2012: A Look at Why Families Were Granted Shelter, the Housing They Had Lived in & Where They Came From](#). According to the IBO, the major reason, not surprisingly, is that most people enter the shelter system after being evicted. And the percentage of entrants due to eviction has increased over time, with those entering shelter as a result of a court-ordered eviction more than tripling during the 2002-2012 period, from 1000 to 3000. Id. at 9. Evictions City-wide have also steadily increased dramatically over time, from approximately 23,000 in 2003 to nearly 29,000 last year. See <http://cwtfhc.org/wp-content/uploads/2009/06/Eviction-Trends-1998-to-2013.pdf>.

Neither the shelter allowances nor the FEPS subsidy levels have been adjusted since 2003 and 2005. The result is a large and growing “affordability gap” into which countless families are falling each month. Homelessness in New York City is at record levels. Housing courts are teeming with desperate families. And neither private landlords nor public authorities such as NYCHA can maintain safe and decent housing with shelter allowances set so far below actual market conditions. Something must be done. Soon.

The current affordability gap between the combination of the shelter allowance and FEPS subsidies, compared with the FMR/Section 8 levels is outlined in the table below²:

1. To be eligible for FEPS, a family must: (1) be sued for unpaid rent or be recently evicted, and (2) be renting an apartment with a rent below a certain level (“FEPS cap”)

² HPD Section 8 rent vouchers are now set at 105% of the “Fair Market Rent” FMR, having been reduced from 110% last year as part of federal deficit reduction. See, e.g. <http://www.nyc.gov/html/hpd/downloads/pdf/Section-8-Policy-Changes-FAQ.pdf>. The current NYC Housing Authority Standard is published at http://www.nyc.gov/html/nycha/html/section8/voucher_payment.shtml

Testimony of The Legal Aid Society
 Senate Task Force on the Delivery of Social Services in New York City
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<u># on PA</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
<u>Shelter</u>	\$277	\$283	\$400	\$450	\$501	\$524	\$546	\$546
<u>FEPS Subsidy</u>	\$373	\$467	\$450	\$450	\$499	\$526	\$554	\$654
<u>Shltr & FEPS</u>	\$650	\$750	\$850	\$900	\$1000	\$1050	\$1100	\$1200
<u>Section 8 NYCHA w/o utilities</u>	\$1250 (0 Bedroom)	\$1305 (1 bedroom)	1547(2 bedroom)	\$1,547 (2 bedroom)	\$1989 (3 bedroom)	\$1989 (3 Bedroom)	\$2230 (4 bedroom)	\$2230 (4 bedroom)
<u>Affordability GAP</u>	\$600	\$555	697	\$647	\$989	\$939	\$1130	\$1030

The failure of the shelter allowance and FEPS subsidy to keep pace with rising rents has undoubtedly contributed to growing family homelessness. The inability of the FEPS subsidy to prevent homelessness is demonstrated by the plight of families with children who were part of the Advantage Program,³ most of whom would be eligible to receive FEPS if their rent were within the FEPS caps. Of the 22,658 families with children who received the Advantage subsidy, 8,518 of them had returned to shelter as of August 2013.⁴

Benchmarking the FEPS supplements to subsidize up to the FMR makes sense. And there is precedent. The Department of Housing and Urban Development’s (“HUD”) fair market rents were one of the benchmarks used in 1975 to set the original NYC shelter allowances and the *Jiggetts* interim relief levels in 1992. The FMRs are also used by the Department of Housing Preservation and Development (“HPD”) and the New York City Housing Authority (“NYCHA”) to set the rents for their Section 8 voucher programs. Additionally, unlike the rental information collected by the HVS, the FMRs differentiate the cost of housing for different family sizes by calculating the rents for different size apartments. Linking shelter assistance support to HUD’s, FMRs also ensure that public assistance recipients are not made homeless as their rents inevitably increase.

The FEPS supplements, as well as the shelter allowance, need to be raised. The Senate Task Force should recommend that OTDA allow HRA – and other districts in which the shelter allowance is more than \$1000 below the FMR, including Suffolk, Nassau, Westchester, Rockland, Orange, and Dutchess – to allow for additional shelter supplements up to the FMR to avoid homelessness.

³ The Advantage Program was a time-limited 1- or 2-year subsidy that homeless families received to move out of shelter.

⁴ See Coalition for the Homeless, “The Revolving Door Keeps Spinning,” available at http://coalhome.3cdn.net/18a296ffeb8e2dcbcb6_hgm6bk69h.pdf

While the FEPS program has helped save the homes of thousands of low-income New Yorkers and helped many homeless families leave shelter, rising rents without any corresponding increase in the rent cap have contributed to a growing housing affordability crisis for families on public assistance and record high family homelessness. Rents in New York City have increased dramatically in the ten years since the FEPS program was approved. According to the Department of Housing and Urban Development, the fair market rent (“FMR”) for a 2 bedroom apartment is now \$1481 – an increase of approximately 40% since 2005.

The Senate Task Force should recommend that OTDA increase the local district’s flexibility to provide eviction prevention supplements to families renting apartments up to the fair market rents. This is ultimately less expensive than housing a family in a homeless shelter, where the costs are frequently more than \$3000 per month. Local districts ought to have the flexibility to design local policies to reflect the real costs of housing – up to the FMR – when doing so will avoid eviction. Regardless of the adequacy of the FEPS subsidy in 2005, the combination of the inadequate shelter allowance and FEPS subsidy with the inadequate FEPS cap that thousands of families with young children are being needlessly subjected to eviction proceedings, and, in many cases, a return to homelessness. In order to control and ultimately reverse the growth in homelessness, and to ensure that the most vulnerable families with children have even a chance for housing stability, the public assistance shelter allowance and the FEPS subsidy must be adjusted to keep pace with the rising rents in New York City.

Recommendation #3: Expand Homeless Prevention Shelter Supplements To Meet the Needs of Domestic Violence Survivors and Others Not Currently Eligible for FEPS.

To be eligible for the Family Eviction Prevention Supplement (FEPS) in its current form, families must be been sued for eviction in their own names and have owed excess rent. Alternatively, a family needs to have entered shelter as a result of owing excess rent after having been sued for eviction. Unfortunately, these rules, which advocates refer to as the “tenant of record” rule and the “lawsuit requirement” rule, often have the unintended consequence of trapping IPV/DV survivors in shelter and, quite likely, in abusive relationships.

Abusers frequently refuse to put leases in the names of the DV/IPV survivors, even if the couple is married. An oft-heard threat for survivors is that if they leave, they will be homeless and destitute. Sadly, the tenant of record rule and lawsuit requirement rule often make the abusers’ threats come true.

The State OTDA needs to eliminate the requirement that families have been sued for eviction to permit survivors of IPV/DV to seek a homelessness prevention subsidy rather than staying with their abusers or even entering shelter. Furthermore, by raising the rent maximums to the fair market rent set by HUD, the State could ensure that survivors of IPV/DV would be able to stay in their homes and their communities, if it is safe, or escape shelter.

In 2014, according to the Mayor's Office to Combat Domestic Violence (OCDV), some 20% of all homicides in New York City were family-related. http://www.nyc.gov/html/ocdv/downloads/pdf/press/nyc_family_related_homicides_decline.pdf. Escaping abuse can mean the difference between life and death, between hope and despair. But it is, not surprisingly, one of the most difficult times in the lives of survivors of IPV/DV. Many survivors do not want to flee because they don't want to put their children in what can be a traumatic and disruptive and sometimes lengthy stay in a homeless shelter. Offering families and these survivors a choice for stable housing offers them dignity and a platform to rebuild their lives.

Other vulnerable New Yorkers facing homelessness also are looking forward to reforms in homeless prevention subsidies. Some of these are families who are not eligible for FEPS because they avoided an eviction by moving in with friends and relatives – an arrangement which often is only temporary, stop-gap solution. Seniors and disabled individuals living on SSI are also not eligible for FEPS, and may face eviction and homelessness which could mean losing their proximity to community support systems and medical providers. And a mother who vacated an apartment because lead poisoning was threatening her children's health and safety would not be eligible for FEPS despite a dire need for new housing and a minimal possibility of finding an apartment for the \$400 per month allowed under the current shelter allowance schedule.

In the most recent budget, the Legislature provided funding for a pilot program that could help address situations such as these on a trial basis. We urge the Senate Task Force to support an expansion of homeless prevention supplements that would address many of the critical shortcomings of the FEPS program on a permanent basis. Mitigating homelessness at the "front end" of the problem in New York City not only offers low-income families a pathway towards stability and, ultimately, opportunities, but will also help avoid tens if not hundreds of millions of dollars in unnecessary homeless shelter expenses in the coming years.

**Other Recommendations for Social Services Reform
To Help Low Income New York City Residents**

Recommendation #4: Adopt Conciliation and Sanction Policy Reform to Protect Vulnerable New Yorkers from Deprivation and Save the State Money, Including the Costs of Sheltering Homeless Families

Adults subject to agency work rules are at risk of penalties (called “sanctions”) when there is an allegation that they failed to comply. The penalty is steep, a pro rata reduction in the family’s basic grant or case closing, for a minimum period of time, often 6 months or more. Even though HRA has successfully reduced the historically very high rate of clients sanctioned and facing sanction over the past year down to 16 percent (from a rate that hovered around 20 percent in recent years), this rate of clients sanctioned and facing sanction is still too high and comes at too great a cost to the families affected as well as the State’s budget.

First, there are simply too many sanctions being threatened and imposed in New York City resulting in tens of thousands of State administrative Fair Hearing requests. OTDA’s data indicates that for FY2014 there were an average of 17,807 low income New Yorkers each month, whose subsistence benefits had been reduced due to a “durational” sanction, which lasts three to six months. More than 12,000 of these -- 69 percent -- were residents of New York City. See 2014 Statistical Report on the Operations of New York State Public Assistance Programs, at p.46; available at <https://otda.ny.gov/resources/legislative-report/2014-Legislative-Report.pdf>. Since a sanction is a very severe penalty for our clients, many clients faced with sanction request a Fair Hearing from the State. New York City residents also requested 91 percent of the State Fair Hearing requests on employment sanctions during FY2014.

Second, the sanctions threatened and imposed against New York City residents often prove to be baseless only after a costly Fair Hearing is requested and often prepared for by the City and the State. Of the State Fair Hearings requested by City residents, approximately 70 percent were favorably resolved (reversed, settled, correct when made and withdrawn). The high sanction rate coupled with the high rate at which sanctions are resolved at State Fair Hearings, suggests that those sanctions were wrongly imposed in the first place or at the very least could have been prevented. Even when a Fair Hearing is settled before the hearing is held, the very cost of processing a Fair Hearing request represents a significant cost to the State. When the cost of the request is combined with the cost of the hearing, the costs of avoidable fair hearings becomes even greater.

Third, each sanction represents a very costly penalty for low-income families and individuals. A sanctioned family of three will be forced to subsist on \$526 a month (a reduction of \$263), only 31 percent of the federal poverty level for a family of 3 of \$1,674 a month. A sanctioned individual has his or her case closed entirely, regardless of disability

or other factors that would prevent him or her from earning wages for self-support. Most sanctions last for a minimum period of time, often six months or more. Social science research and common sense indicate that depriving a family of a significant portion or all of their income for such a long period of time results in increased food insecurity, medical problems, housing instability and homelessness. Indeed, HRA estimated last year that approximately 9.7 percent of sanctioned public assistance recipients applied for DHS shelter after the adverse action was taken on the case. Apart from the great emotional price paid by these families, sanctioned New Yorkers going into DHS shelter costs the State dearly as well.

Fortunately, S.3596 (Savino) (same as A.4250 (Wright)) offers solutions. This legislation, which applies only to New York City, from which the statistics cited above indicate the majority of the problem stems, take a two-prong approach to common sense sanction reform. First, the bill focuses on the prevention of sanctions through conciliation process reforms. The bill imposes safeguards to ensure sanctions are not threatened against persons exempt from the engagement requirements in the first place, including people with disabilities. The bills also give clients who want to engage in required activities the opportunity do so in exchange for avoiding the penalty. This is especially important in the many cases where clients wanted to participate all along but were threatened with sanction do to an administrative error. Second, instead of making sanctions durational regardless of whether the client continues to object to compliance, the bill requires sanction to endure only until the client agrees to comply with agency rules. For some clients, this will result in sanctions of less than six months. For other clients, who are unwilling to comply, the sanction will last much longer. Either way, clients who want to comply will be more rapidly re-engaged in education, training and work activities that will ultimately help them achieve economic independence.

In our analysis, this legislation would generate a net savings in avoided administrative costs, while sparing already hard pressed families from long periods of reduced benefits even when they are willing to comply. At the same time the legislation recognizes the importance of preserving employment requirements and maintains the prohibition on paying benefits to anyone who is not complying with program requirements.

It is worth noting that even if the State were to raise the shelter allowance and enhance subsidies for permanent housing, without reducing sanctions, families will still be put at unnecessary risk of homelessness.

Given the potential for savings and the opportunity to introduce changes in a district where the local social services district is supportive, we recommend that the Senate Task Force on Social Services push for this legislation to be passed. Indeed, through the leadership of Senator Avella and Senator Savino last year, the bill was passed by the Senate. It only failed to pass the Assembly because the Assembly ran out of time. This year presents another opportunity for achieving these important reforms.

Recommendation #5: Support Legislation to Create More Subsidies for Low Income Working Families by Exempting Parents of Very Young Children From the Welfare Engagement Requirements

Over the past several years both the Senate and Assembly have introduced versions of a bill that would amend section 410-x of the Social Services Law to permit a parent of an infant receiving welfare to choose voluntarily to be exempt from agency engagement requirements for up to a year for the purposes of caring for the infant herself. See, e.g., A1805-2015 (Titus); S.5586 (Savino)(2014). This proposal was included in the Assembly One-House budget proposal this year, but did not get included in the final budget.

We encourage the Senate Task Force to recommend adoption of this common sense legislation. Beyond giving the parents of infants the opportunity to provide care themselves, the legislation frees up scarce child care dollars for low-income, working parents, who unlike parents on welfare, do not enjoy a guarantee of child care. It is estimated that the child care dollars freed up for employed parents would be \$5.38 million. Moreover, it is estimated that each child care slot not used for a public assistance recipient creates three slots for working families because working families have a copayment based on their income (whereas public assistance recipients, because of their extremely low income, do not have a copayment). Finally, the one year exemption is voluntary. Parents receiving public assistance would still retain the choice to participate in employment, education and training activities.

This legislation makes sense for New York State and would provide more child care support for low-income wage earners in New York City.

CONCLUSION

We are very pleased that the Senate Task Force has chosen to focus on the delivery of Social Services in New York City. This year we feel the pressing problem of homelessness, calls for us to together roll up our sleeves and look at how we can better prevent homelessness in the first place and keep individuals and families out of shelter when possible. We have also presented two reforms which would help engage clients in education, employment and training, while channeling scarce child care dollars to support working low-income families. We look forward to working with the Task Force.

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Testimony by New York Legal Assistance Group
before the Senate Task Force on the Delivery Of Social Services in New York City

April 16, 2015

Senator Avella and Members of the Task Force: Thank you for the time to speak today and for the opportunity to submit recommendations concerning ways to improve the delivery of social services in our City. My name is Camille Zentner and I am a supervising attorney with the New York Legal Assistance Group (NYLAG) working in our public benefits practice. NYLAG is a nonprofit law office dedicated to providing free legal services in civil law matters to low-income New Yorkers. NYLAG serves immigrants, seniors, the homebound, families facing foreclosure, renters facing eviction, low-income consumers, those in need of government assistance, children in need of special education, domestic violence victims, persons with disabilities, patients with chronic illness or disease, low-wage workers, low-income members of the LGBT community, Holocaust survivors, and veterans, as well as others in need of free legal services.

We encounter New Yorkers directly impacted by the housing affordability crisis in our City in all of our areas of practice. In my work in particular, where public assistance recipients receive a maximum safety net survival benefit amounting to less than half of the federal poverty level, which includes shelter allowance, we serve clients with the intertwined problems of food scarcity, housing instability and homelessness. An adult recipient of public assistance with one dependent child is maximally eligible for the basic shelter allowance of \$283, an amount that

would not rent even a private room for this family in any of our five boroughs. This testimony will focus on the deficiencies of the current public assistance related housing supports and NYLAG's client stories and struggles related to housing stability, as well as some related public assistance problems that impact directly on clients having and maintaining homes for themselves and their families.

I. FOCUS ON EVICTION

According to a November 2014 report of the City's Independent Budget Office, the share of New York City families entering the shelter system because of eviction tripled between 2002 and 2010, amounting to 32% of the intake at municipal shelters, an underinclusive percentage that considers only families with eviction documents at intake and does not include any families improperly or uncoded shelter entry reason.¹ By the end of 2012, eviction at 28% remained the most common reason for shelter entry over the other major housing barriers of overcrowding and domestic violence related issues.² This report also found that "more than half of the families entering the city's shelter system lived in buildings that registered with the state as having rent-regulated apartments or were operated by the New York City Housing Authority . . . immediately prior to shelter, with the largest share coming from regulated housing."³

II. RECOMMENDATIONS

a. Increase the Public Assistance Shelter Allowance Levels

¹ The Rising Number of Homeless Families in New York City, November 2014, pages 7-8, *available at* <http://www.ibo.nyc.ny.us/iboreports/2014dhs.pdf>.

² *Id.*

³ *Id.* at 10.

One critical component of enabling public assistance recipient families to find safe housing and avoid eviction from public or private housing is an increase of the public assistance shelter allowance, an allowance that has not been changed since very minimal increases in 2003. A family of three in New York City that includes a minor dependent child in the public assistance household will receive a maximum of \$400 in shelter allowance. NY Soc. Serv. Law §131-a; 18 NYCRR § 352.3(a). In addition to New York State's constitutional obligation to provide "aid, care and support of the needy," statutory law requires the State to provide adequate allowances for legally responsible relatives to support the physical and emotional well-being of minor dependent children. N.Y. Const. art. XXVII, § 1; N.Y. Soc. Serv. Law §350(a). Without adequate housing or even the potential for adequate housing under the current shelter allowance scheme, New York State grossly fails to meet its obligations.

Current NYC Shelter Allowances for Families with Minor Dependent Children and

Without:

Household Size	Without	With
1	\$215.00	\$277.00
2	\$250.00	\$283.00
2	\$286.00	\$400.00
4	\$312.00	\$450.00
5	\$337.00	\$501.00
6	\$349.00	\$524.00
7	\$403.00	\$546.00

New York City and State incur great financial as well as human expense in not providing anywhere near a reasonable shelter allowance for City residents; the City and State bear the burden of a multitude of costs associated with homelessness, including paying shelters and increased medical spending.

b. Adjust FEPS to Allow More Families to Afford Fair Market Rents

The Family Eviction Prevention Supplement (FEPS) provides many households that include public assistance recipient members and minor dependent children with arrears help to prevent eviction and with an ongoing subsidy to help families pay ongoing rental obligations. FEPS is often the only option for public assistance families being threatened by eviction, and the program has helped many New Yorker City families avoid eviction and maintain housing. However, these subsidies are issued on top of the shelter allowance but still fail to bring the total shelter grant anywhere near the current fair market rent in NYC. For instance, in the Bronx, where more families entered the shelter system than from any other borough during the period of the Independent Budget Office's 2002 through 2012 study,⁴ the current fair market rent *is \$1249 for a one-bedroom apartment*, according to the U.S. Department of Housing and Urban Development.⁵ However, the maximum shelter grant under the FEPS program, which is the sum of the shelter allowance and the FEPS amount, *is only \$750 for a family of two*.

⁴ The Rising Number of Homeless Families in New York City, November 2014, page1, *available at* <http://www.ibo.nyc.ny.us/iboreports/2014dhs.pdf>.

⁵ Fair Market Rent by county engine available at http://www.huduser.org/portal/datasets/fmr/fmr_il_history/select_Geography.odn, data sets provided by the U.S. Department of Housing and Urban Development via <http://www.huduser.org/portal/home.html>.

Further, the FEPS rent caps and other eligibility rules make it even more difficult for families to secure and maintain their apartments, and the household composition rules create complications in family living situations and public assistance budgeting that can lead to more benefits problems, loss of benefits, and loss of the subsidy entirely. NYLAG suggests three main changes to the FEPS program: 1. An increase in the actual subsidy; 2. An increase in the rent cap; and 3. An incremental broadening of the categories of eligible households.

i. *Increase the FEPS Subsidy*

The current FEPS rules provide an eligible family of three with a subsidy of \$450 on top of the family's \$400 shelter allowance, if maximally eligible, for a total of \$750 for the three person family's shelter grant.

FAMILY EVICTION PREVENTION SUPPLEMENT CHART⁶

Household Size	Shelter Allowance (SA) Maximum	FEPS	SA + FEPS = Total Shelter Grant	Shelter Expense (Rent) Limit
1	\$277	\$373	\$650	\$800
2	\$283	\$467	\$750	\$900
3	\$400	\$450	\$850	\$1050
4	\$450	\$450	\$900	\$1100
5	\$501	\$499	\$1000	\$1250
6	\$524	\$526	\$1050	\$1350
7	\$546	\$554	\$1100	\$1400

A three- person family receiving the public assistance total grant would have only \$389 to spend on their electronic benefits card monthly, if the family were maximally eligible for

⁶ See, e.g., City Policy Directive 14-04-ELI, Revision to Family Eviction Prevention Supplement, detailing the FEPS numbers and rules.

public assistance. This NYC family would need to spend \$200 out of this \$389 allowance toward the rent, leaving \$189 remaining to provide for the remainder of the family's needs, including any applicable utilities or other household expenses, in addition to other household necessities like clothing, school supplies, transportation, hygiene needs, and other necessary survival expenses. Additionally, when there is earned or other income in a household, or a family member is sanctioned, the first part of a family's minimal grant to be reduced is the family's shelter allowance, reducing the total shelter grant sent directly to landlord or primary tenant for New York City households, often beginning or driving the cycle of inability to cover full rent expenses and pushing a family toward eviction proceedings for non-payment.

NYLAG recommends increasing the FEPS subsidy to allow recipients to compete for apartments renting at or near fair market value in the City. In doing so, the FEPS program would be in line with more successful and lasting subsidy programs, such as the Section 8 voucher program, which keeps pace with fair market rents and keeps families in their homes.⁷

ii. *Increase the Maximum FEPS Program Maximum Shelter Expense (Rent)*

Even where a family may be able to survive and maintain housing because they have enough earned or other income to make up the difference between the inadequate FEPS amount and the FEPS lease rate, the family will find it difficult to secure an apartment to rent at or under the FEPS rent caps. In the City's increasingly competitive market, there is little incentive for a landlord to reduce the lease rent to the FEPS rent cap levels: The rent cap for a family of two

⁷ For New York City Section 8 Voucher payment standards, see http://www.nyc.gov/html/nycha/html/section8/voucher_payment.shtml.

looking for a FEPS-eligible apartment in the Bronx is \$900, with the HUD figure for a one bedroom at the above-cited \$1249. The rent cap for the a three-person family is \$1050, still \$200 less than the fair market rent for a one bedroom that could not even accommodate this family size.

For the FEPS program to be more successful and better contribute to preventing eviction, the rent caps *and* subsidies need to help families compete in the rental market and afford fair market rental housing. Because the FEPS structure is already in place, these improvements would likely require fewer immediate administrative resources in creation and coordination with the City than other additionally necessary longer-term strategies for eviction and homelessness prevention.

c. Broadening Other FEPS Eligibility Rules to Serve and House More Families

Aside from the monetary rent caps and subsidies, the FEPS program could broaden its reach to families at risk of eviction by loosening its rules regarding the definition of families facing eviction. Currently, the FEPS program requires families to be in court proceedings to be even considered for the subsidy. If the program were to broaden the definition of families at risk of eviction in order to help families before they were taken to court, families would not have to go through the housing court process, and the City and State would avoid many costs associated with litigation and enforcement in court.

Additionally, FEPS rules could better serve families with aging children and members who become eligible for disability benefits. In order to be eligible for FEPS, households must include at least one minor dependent child and a public assistance recipient. Often, children who

make the household eligible for FEPS because of age or receipt of public assistance benefits, age out of being a minor dependent child, consider leaving the household to go to school, or begin to receive federal disability benefits instead of public assistance. In all of these instances, a household would become ineligible without a minor dependent child or public assistance recipient member, and the household's FEPS would be abruptly terminated, throwing the family into housing crisis, arrears, and likely directly back into housing court without the FEPS option.

In order to serve these families who received the supplement and remain in dire need of the rental support when current eligibility ends, NYLAG recommends that the FEPS program consider a grace period for families with children aging out or household members losing public assistance *or* creating new eligibility categories that allow the participation of families with SSI-recipient member children and adults only and allow participation of families that include children up to the age of 21 years old to be the qualifying child for purposes of the subsidy.

One NYLAG client, Mr. B, receives Supplemental Security Income (SSI) because of multiple debilitating impairments. He lives with and cares for his 16 year old daughter, also an SSI recipient, and his 19 year old son, a public assistance recipient. Mr. B was in eviction proceedings largely because of an erroneous adverse public assistance determination that stripped his family of their FEPS benefit for almost a year. When the public assistance mistake was corrected and benefits were restored via NYLAG's advocacy and Fair Hearing representation, Mr. B had already signed a stipulation agreeing to move out of his apartment. Mr. B proactively sought an apartment at the FEPS level because of FEPS rules that would allow Mr. B to get FEPS for a move. With limited physical and financial resources, Mr. B found an apartment in the Rockaways and negotiated his rent from the market \$1450 to the FEPS cap of

\$1050 for his three-person household. Despite his initiative and meeting other eligibility criteria, Mr. B's FEPS was held up and only approved after two months of vigorous advocacy because he was no longer in court and had initiated and completed the move on his own, apparently outside of the FEPS rules; this delay caused the new landlord to doubt both our client and the subsidy.

Now Mr. B faces additional challenges: his 19 year old son wants to go to school and doesn't want to do exactly what his father tells him, including consistently comply with the public assistance work requirements. Unfortunately, because of the FEPS rules, a penalty on Mr. B's adult son – a sanction—strips the whole family of their FEPS grant. If the family is able to get through for the next two years, Mr. B's daughter will then no longer be considered a child for purposes of the FEPS grant, and the family will lose their FEPS eligibility and their apartment. Broadening the FEPS eligibility categories or offering this family a grace period and housing search support or another subsidy is necessary to keep Mr. B and his family in their home.

Another client, Ms. A, receives public assistance and lives with her 15 year old son, an SSI recipient, and two adult children, who are also public assistance recipients. Ms. A's older adult child did not go away to college because she feared her family would lose their housing were she to leave and lose her portion of the subsidy. Her second adult child does not always comply with the public assistance rules. Frequently, these two children are threatened with sanctions or sanctioned, usually erroneously, occasionally lawfully, reducing the entire family's public assistance grant, positioning them always on the edge of eviction. The best solution for Ms. A might be to get her own apartment with her minor dependent child; however, with a FEPS rent cap of \$900 for a household of two, Ms. A cannot find an apartment to accommodate herself

and her 15 year old son. She fears she will live on this edge of losing her housing interminably; she's currently in court on the third eviction proceeding against her and she is scared.

Changing FEPS would change the lives of Mr. B and Ms. A, and a multitude of other New Yorkers constantly on the edge of housing crises. Please consider supporting changes to keep these families in their homes.

d. Sanction and Conciliation Bill and Policy Reform

Currently, sanction issues and fair hearings scheduled to adjudicate the merit of HRA's proposed sanctions on public assistance recipients account for many of the benefits reductions and hearing traffic that our clients and our office experience. Approximately 68%, or 12,235 of the 17,975 average of recipients in employment-related sanction status each month last year across the State were New York City public assistance recipients.⁸

Sanctions are pro-rata reductions on public assistance benefits. The reduction takes a public assistance household member's benefits off the case via a reduction of household size to account for the loss of the benefit portion of a household member allegedly not complying with the work rules. This means that a three-person household would receive two-thirds of the benefits of a three-person household during the duration of the sanction on the allegedly non-compliant household member. For instance, a three-person maximally eligible household receiving \$789 in total monthly public assistance benefits (\$400 in shelter allowance and \$389 in

⁸ See 2014 Statistical Report on the Operations of New York State Public Assistance Programs, page 52, available at <https://otda.ny.gov/resources/legislative-report/2014-Legislative-Report.pdf>.

the food and other allowance), would be reduced to \$526 monthly.⁹ For the same three-person household maximally eligible for public assistance that also receives FEPS, the benefits, including the FEPS, would all be pro-rated, and the family would receive \$826 out of the prior total of \$1239 (\$850 in shelter allowance and FEPS plus \$389 for food and other). This FEPS-recipient household would then be left with less than the normal shelter grant to pay a \$1050 rent, without any cash assistance for any other family necessities.¹⁰

HRA's position, based on analysis of its own data, is that "there is a connection between [HRA adverse benefits] action and applications for shelter."¹¹ HRA found that during 2012 and 2013, a total of 50,045 individuals were sanctioned and that almost 14% of the total sanctioned recipients applied for DHS shelters after the sanction was implemented. Further, 96.3% of these applications of sanctioned recipients included children.¹² Sanctions can devastate families already struggling to meet their daily needs even without causing further housing instability, but as HRA demonstrates with its data, sanctions frequently contribute to a family losing housing altogether. The loss of a stable home and secure base make it even harder for City residents to comply with public assistance requirements unrelated to eligibility, and then to try to comply after the end of the duration of a sanction.

⁹ This maximum public assistance benefit amounts to approximately 47% of the federal poverty level. See the federal poverty level guidelines available at <http://aspe.hhs.gov/poverty/13poverty.cfm>.

¹⁰ See 18 NYCRR 385.12 for regulations regarding durational sanctions and pro rata reductions. See City Policy Directive 14-04-ELI, Revision to Family Eviction Prevention Supplement, detailing the FEPS numbers and rules, including regarding pro rata reductions. This pro rata reduction of the FEPS benefit is an improvement of prior FEPS programming, which had required that the FEPS be discontinued entirely upon the implementation of a sanction on any household member.

¹¹ See Testimony by Steven Banks, Commissioner of HRA, for the 2015 City Council Executive Budget Hearing, May 19, 2014, page 5, available at http://www.nyc.gov/html/hra/downloads/pdf/news/testimonies/2014/may_2014/HRA_Executive_Budget_Testimony_2015.pdf.

¹² Id. pages 5-6.

Proposed legislation, S.3596 (Savino) (same as A.4250 (Wright)), would dramatically improve the ability of public assistance recipients and HRA to immediately redress both Agency error and isolated instances of non-compliance with good cause before damage, sometimes irreparable, to the well-being of the family occurs as a result of a sanction and substantial loss of benefits to NYC residents. The bill focuses on preventing sanctions from occurring in the first place, by delineating specific checks for workers to follow as first steps toward determining whether an instance of non-compliance was both willful and without good cause, the legal standard for implementation of this type of sanction-based benefit reduction. For instance, the bill guides the pre-sanction analysis to ensure that the allegedly non-compliant individual was not and should not be exempted entirely from the specific work requirement at issue and does not need an accommodation to comply with the requirement. Further, the bill gives recipients a reengagement opportunity after an isolated instance of alleged non-compliance, which better meets the work participation rates and employment training and goals than the current system that oversanctions and terminates participation after one allegation of non-compliance. The bill would also require the sanction to last until compliance, instead of for a set amount of time as is currently the case, meeting the goals of causing some cost to non-compliant participants to further incentivize compliance *and* maximizing participation and training and benefits stability for recipient families.

The legislation would also have vast impact on fair hearing requests, dispositions, and overall cost of hearing administration. During the period of April 1, 2013 through March 31, 2014, NYC public assistance recipients requested 20,464 hearings on employment related

sanctions alone.¹³ HRA has vastly improved its backlogged hearing calendar by resolving many of these sanction-related hearings via a coordinated but temporary pre-hearing disposition plan with the State. But the counterproductive policies of punishment the current law and rules perpetuate for isolated instances of non-compliance and the durational penalization of recipients eager and willing to comply, will be recurring until this bill or a similar measure is adopted. Recipients will continue to request hearings on sanction issues, relying on the State to administer and adjudicate issues that would better be resolved at City and center level in the first instance, and relying on the State to bear great financial cost in the holding of these thousands of hearings. The hearing process and procedures themselves would also benefit, reducing hearing officer workload *and* offer more instances of only issues of debated and debatable fact and legal questions coming before OTDA's hearing officers.

III. Conclusion

Please consider NYLAG's recommendations to increase the public assistance shelter allowance, improve the benefits of and access to FEPS, and support the sanctions and conciliation bill. Thank you again for your invitation and action on behalf of New York City residents in need of social services.

Respectfully submitted,

Camille Zentner, Supervising Attorney

New York Legal Assistance Group

¹³ Report provided by HRA to advocates during 2014 Fair Hearing Resolution working group meetings, available upon request from Camille Zentner, NYLAG attorney.



I. INTRODUCTION

This testimony is submitted on behalf of Legal Services NYC. Legal Services NYC is the largest organization exclusively devoted to the provision of free civil legal services to the poor in the nation. For over 40 years, Legal Services NYC has provided quality legal representation to low-income New Yorkers through our neighborhood offices¹ and outreach sites located in diverse communities throughout the five boroughs. Each year, our staff help thousands of clients negotiate the New York City Human Resources Administration’s (“HRA”) onerous application process and work requirements in order to access and maintain critical public benefits needed to maintain housing, utilities, childcare, employment, basic health and well-being. Legal Services NYC commends the Senate Taskforce for conducting this oversight hearing regarding the social services delivery system in New York City.

Key Recommendations

Legal Services NYC recommends that the following changes to improve the quality and accessibility of social services in NYC.

- Provide Applicants with Immediate Need grants in compliance with Social Services Law 133 and 18 NYCRR 351.8(c)(4).
- Simplify and expedite application process for “one shot deals” to prevent evictions.

¹ Our borough-based branch offices and constituent corporations include: Legal Services NYC-Bronx; Manhattan Legal Services, Queens Legal Services, Staten Island Legal Services and our new Brooklyn-wide legal services program, which is in the process of becoming our largest borough-wide program.

- Adjust FEPS and Shelter Allowances to reflect actual cost of rent in the City.
- Make FEPS available to families before they are sued in housing court.
- Make the application process accessible for people with disabilities (for e.g. available in alternative formats).
- Improve application process for individuals with limited English proficiency (“LEP”) by providing (and publicizing the availability of) onsite telephonic interpretation at all points of contact and better matching of LEP applicants to bilingual staff.
- Reduce the number of mandatory in-person appointments at Job Centers.
- Schedule mandatory appointments for working applicants and recipients so that they do not conflict with working hours.
- Offer alternatives to in-person visits to the Job Center to submit documentation.
- Expand robo-calls and create additional means for clients to be notified of upcoming appointments. Create a toll-free number for clients to call to reschedule appointments.
- Eliminate punitive durational sanctions for non-compliance with work rules and permit applicants and recipients to immediately reapply for benefits once they are willing to engage in work activities or if they become exempt from the work requirements and implement non-punitive outreach to sanctioned households.
- Implement a meaningful procedure to screen and provide applicants and recipients with reasonable accommodations when necessary to access and maintain benefits.
- Extend timeframe for requesting hearings to challenge employability determinations and adopt a “Treating Physician” rule like the Social Security Administration in making employability determinations.
- Provide supportive services (in particular, child care and transportation) to applicants and recipients who are exempt from work requirements but who voluntarily participate in

engagement activities in order to facilitate a gradual and safe transition back to wellness and self-sufficiency.

II. HOMELESSNESS PREVENTION

- 1. Eliminate punitive durational sanctions for non-compliance with work rules and permit applicants and recipients to immediately reapply for benefits once they are willing to engage in work activities or if they become exempt from the work requirements; and implement non-punitive outreach to sanctioned households.**

All too often, NYS policies and local DSS practices inadvertently exacerbate homelessness by prioritizing punitive action over the welfare of the client family and the City as a whole. The most pernicious of these State policies is the reduction of families' shelter allowance and discontinuance of other supportive services (such as childcare) as a penalty for noncompliance with HRA's myriad procedural requirements, including requirements related to work rules.

Durational sanctions that expose families and children to eviction and homelessness are wildly counterproductive. Families who are evicted from affordable apartments are likely to enter the City shelter system; at best, they must rent new accommodations at sharply higher rents, thus jeopardizing long-term affordability. Loss of housing stability and other supportive services like childcare, in turn, make families less able to focus on obtaining employment, and negatively affects children's school performance, reducing the employment prospects of the next generation.

NYS and HRA should re-examine its rules and requirements and find ways to encourage compliance without placing families at risk of homelessness. A.4250/S.3596, if enacted into law, would ameliorate the deleterious impact of "durational" sanctions that continue to punish recipients even after they have demonstrated a willingness to comply with program rules by reducing the number of debilitating, and often erroneous, case closures. Further, even without a change in law, HRA should implement non-punitive outreach to these households and provide a reminder notice of the option to end sanction as contemplated in A.4250/S.3596.

2. Adjust outdated Public Assistance Shelter Allowances and FEPS rent levels to reflect the actual cost of rent in the City.

Unaffordable rents are the greatest obstacle to financial independence for families transitioning from welfare to employment. Further without adequate rent subsidies, many welfare recipients will be unable to find affordable housing even with earnings that are above the minimum wage. Under federal affordability guidelines, for example, a head of household earning \$10 per hour could afford a rent of only \$700 per month – a rent unavailable anywhere in the City.

Public Assistance Shelter Allowances² – Singles and Families Without Children

Household Size	1	2	3	4	5	6
Mthly Shelter	215	250	286	312	337	349

Public Assistance Shelter Allowances – Families With Children³

Household Size	1	2	3	4	5	6
Mthly Shelter	277	283	400	450	501	524

Family Eviction Prevention Supplement – Possibly Available to Families with Children

Household Size	1	2	3	4	5	6
PA Rent	277	283	400	450	501	524
FEPS subsidy	650	750	850	900	1000	1050
FEPS Rent Cap⁴	800	900	1050	1100	1250	1350

² See 18 NYCRR 352.3(a).

³ In 2003, the State implemented small increases the maximum Public Assistance shelter amounts for households with children.

⁴ FEPS Rent Cap – In order to be eligible to receive FEPS, among other requirements, the monthly rent cannot exceed these amounts (determined by the number of people total that are living in the apartment).

The Family Eviction Prevention subsidy levels are based on 2003 data. They should be adjusted to account for the increased cost of renting apartments so that they can remain an effective tool for preventing homelessness.

3. Make FEPS available to families before they are sued in housing court.

Current FEPS rules make FEPS subsidies available only when recipients have been sued in housing court. Those rules should be changed to make FEPS available whenever a family is at risk of losing their home because their public assistance shelter allowance is inadequate to permit them to pay their rent.

4. Pay full arrears regardless of past sanctions.

Under current FEPS rules, OTDA and HRA will not pay full rental arrears for periods in which a tenant was under a sanction, and will not pay any arrears until a current sanction is lifted. At worst, this policy leads to numerous otherwise avoidable evictions. At best, it requires tenants to engage in a time consuming and pointless search for other sources of rent arrears funds, which delays payment and greatly increases the risk of homelessness.

II. REDUCE COSTS WHILE EXPEDITING DELIVERY AND QUALITY OF SERVICES

1. Simplify and expedite application process for one-time emergency assistance (“one shot deals”) to prevent evictions.

Applicants for one time rent arrears grants must currently attend numerous appointments and interviews, and then wait for unduly long periods for the processing and approval of their grants, and then for the issuance of the arrears checks. Applicants frequently have re-apply as a result of these delays as applications automatically expire after 30 days. These delays create a serious and unnecessary risk of eviction and homelessness. Appointments should be streamlined and should also be scheduled outside of working hours so that working tenants do not have to choose between retaining their homes and retaining their jobs. While HRA has made some recent strides to extend the efficacy of its

centralized Rental Assistance Unit to Job Centers and offices located in Housing Court (particularly through the use of technology), much work remains to improve performance and accountability at Job Center Homelessness Diversion Units, which are the front line for “one shot” applications.

2. Provide Applicants with Immediate Need grants in compliance with Social Services Law 133 and 18 NYCRR 351.8(c)(4).

Over the past year, under the leadership of Commissioner Banks, HRA has invited advocacy groups in NYC to help identify areas where it can improve the quality of the Public Assistance application process and has indicated a serious commitment to implement several recommendations. One issue, however, where there is unanimous consensus among the advocates but little change in agency practice, is the difficulty applicants face in obtaining emergency grants during the application process to address an immediate need (no food, no cash). We urge HRA to take steps to provide applicants with immediate needs grants as permitted by law. *See* SSL 133 and 18NYCRR 351.8(c)(4).

3. Reduce the number of mandatory in-person appointments at Job Centers.

HRA should eliminate unnecessary in-person appointments at the Job Center. For example, eligibility screening done by the Bureau of Eligibility Verification (“BEV”) can be done in Job Centers as it was prior to the establishment of EVR, the predecessor to BEV, by the Giuliani administration in the 1990s. By eliminating duplicative and unnecessary BEV appointments, HRA can save money on staff and space while increasing access to benefits for eligible applicants for whom an additional, unnecessary appointment is a barrier to receiving needed benefits.

Further, HRA should expand technological initiatives proven successful in the Food Stamp and Medicaid contexts, such as permitting clients to apply and recertify on-line or through facilitated enrollers to its Cash Assistance program; and develop effective systems to allow applicants and recipients to fax, mail, email and submit required documentation electronically to the agency. HRA could easily expand the Interactive Voice Response System (“IVRS”) to permit clients to request

additional forms and notices by telephone and via the HRA website. Finally, HRA should not require participants to resubmit documentation not subject to change that is already in their case records.

4. Schedule mandatory appointments for working applicants and recipients so that they do not conflict with working hours.

HRA does not currently have effective policies to ensure that it does not schedule appointments for working recipients and applicants at times that do not conflict with their work hours. In order to appropriately support work, HRA must ensure that it does not force people to choose between work and compliance with HRA mandatory appointments.

5. Implement non-punitive outreach to sanctioned households.

So called “mandatory” call-in appointments of sanctioned households, which are not statutorily required, lead to high numbers of full case closures, putting families and children in jeopardy of eviction and homelessness and contributes to costly “churning.” HRA should implement non-punitive outreach to these households and provide instead a reminder notice of the option to end sanction as contemplated in A.4250/S.3596.

III. PROVIDE LANGUAGE ACCESS SERVICES TO LIMITED ENGLISH PROFICIENT APPLICANTS AND RECIPIENTS

1. Improve application process for LEP individuals.

HRA should simplify the application process and permit enrollment in non-welfare settings with increased language supports to facilitate LEP clients’ access to benefits. It should also designate specialized workers to determine non-citizen eligibility to minimize erroneous eligibility determinations based on immigration status. HRA should make translated forms uniformly available in all HRA Job Centers and post clear and conspicuous notices in all Job Centers informing clients of the availability of free language interpretation in compliance with language access laws.

2. HRA should provide onsite telephonic interpretation at all points of contact and better matching of LEP applicants to bilingual staff.

HRA should provide comprehensive training for all frontline workers on HRA's language access responsibilities (including informing clients of their right to translation services and how to utilize telephonic interpretation systems), as well as regular training on cultural sensitivity and language diversity issues. It should implement a certification process for bilingual staff who provide interpretation to ensure language proficiency and training in interpretation. HRA should implement a center-based review to ensure that qualified and trained bilingual workers are properly matched to LEP applicants and recipients.

IV. PROVIDE APPROPRIATE SERVICES AND ACCOMMODATIONS TO PEOPLE WITH DISABILITIES

1. Make the application process accessible for people with disabilities.

HRA should make application forms, notices, and other vital information easier to understand and available in alternative formats and should offer alternatives to on-site benefits applications (for example, online applications and facilitated enrollers) and on-site appointments (for example, telephone interviews and home visits). HRA should also develop websites and automated phone systems that are accessible to people with disabilities and utilize other modes of communication (such as telephone calls, home visits and contacts with a designated representative, if so desired) when an individual is unable to understand a notice due to a mental impairment or learning disability.

2. Implement a meaningful procedure to screen and provide applicants and recipients with reasonable accommodations when necessary to access and maintain benefits.

HRA should adopt an effective, proactive screening process to identify applicants who need assistance and/or a reasonable accommodation to complete the application process. HRA should train frontline workers to properly screen applicants for disabilities who may require a reasonable accommodation and to inform applicants of their rights. HRA must implement systems to memorialize clients' disabilities and permit reasonable accommodations on an ongoing basis and improve internal

ADA grievance-handling procedures to address systemic problems. Finally, HRA should inform individuals with disabilities through clear, simple language notices and conspicuous signs in all Job Centers of their right to reasonable accommodations and how to file a grievance.

3. Change timeframe for requesting hearings to challenge employability determinations and adopt a treating physician rule like the Social Security Administration in making employability determinations.

State law currently limits the time in which applicants and recipients can challenge determinations that they are able to participate in employment activities to ten days. This ten-day statute of limitations is substantially shorter than the general sixty-day statute of limitations and unlawfully discriminates against people with disabilities. Giving individuals with disabilities the same 60 days to request a fair hearing to contest employability as with permitted in all other instances would reduce the number of sanctions imposed individuals who are unable to comply with work requirements because of a disability. Further, HRA should adopt a treating physician rule like the Social Security Administration and defer to the treating physician's medical opinion of the Appellant's employability. Doing so will lead to better determinations, will protect applicants and recipients from unnecessary appointments and examinations, and will reduce costs for outside medical contractors.

V. CONCLUSION

In conclusion, I would like to underscore the following changes the State could take which would improve the delivery of social services in NYC. Specifically, the State should:

1. Eliminate punitive durational sanctions for non-compliance with work rules and permit applicants and recipients to immediately reapply for benefits once they are willing to engage in work activities or if they become exempt from the work requirements;
2. Adjust FEPS and Public Assistance Shelter Allowances to reflect actual cost of rent in the City;
3. Make FEPS available to families before they are sued in housing court; and,

4. Change timeframe for requesting hearings to challenge employability determinations and impose a Treating Physician rule in making employability determinations.

HRA should immediately take the following measures to improve the quality and delivery of social services in NYC:

1. Provide Applicants with Immediate Need grants in compliance with Social Services Law 133 and 18 NYCRR 351.8(c)(4).
2. Simplify and expedite application process for “one shot deals.”
3. Reduce the number of mandatory in-person appointments at Job Centers.
4. Schedule mandatory appointments for working applicants and recipients so that they do not conflict with working hours.
5. Offer alternatives to in-person visits to the Job Center to submit documentation.
6. Expand robo-calls and create additional means for clients to be notified of upcoming appointments. Create a toll-free number for clients to call to reschedule appointments.
7. Improve application process for LEP individuals by providing and publicizing the availability of onsite telephonic interpretation at all points of contact and provide better matching of LEP applicants to bilingual staff.
8. Make the application process accessible for people with disabilities (for e.g. available in alternative formats).
9. Implement a meaningful procedure to screen and provide applicants and recipients with reasonable accommodations when necessary to access and maintain benefits.
10. Provide supportive services (in particular, child care and transportation) to applicants and recipients who are exempt from work requirements but who voluntarily participate in engagement activities in order to facilitate a gradual and safe transition back to wellness and self-sufficiency.

Legal Services NYC thanks the Senate Taskforce for conducting this oversight hearing regarding the social services delivery system in New York City.

Respectfully submitted,

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Organizing For Justice and Respect:

Don't Talk About Us: Talk WITH Us

PICTURE THE HOMELESS

Good morning,

My name is Arvernetta Henry and I am presently in the New York City shelter system. I thank you for allowing me to have this time to speak about rental subsidies and how homeless people are in dire need of such subsidies today. We have so many families that are housed in the shelter system and living on the street. We also have too many people on fixed income who are being evicted from their homes because the rent is so outrageously high. I have recently met an 87 year old senior citizen who was evicted from her home. Although she had Section 8, she had her rent increased, and she was unable to pay her portion. The landlord proceeded to evict her and she came into the shelter system last week.

If we had a permanent rental subsidy program, a family with a low annual income should have to pay no more than 20-30% of their income on rent. They could be living in a decent space and provide meals for their loved ones. With a rental subsidy, families would stay together and united. Children wouldn't have to be uprooted from their schools and it would give the family a helping hand, preserving communities in the process.

While new shelters are opening up all over the City – some costing over \$3,500 a month per person – many properties remain vacant. We could renovate and rehabilitate some of the City's vacant properties and use rental subsidies to pay people's rents instead of warehousing them in shelters. The Department of Homeless Services' budget was close to \$1 billion last year. If we took even a small percentage of this budget and put it towards housing people in permanent housing, we could reduce the shelter population and house thousands of men, women, and children.

For myself, being on a fixed income of \$1200 per month, every apartment I'm looking at costs too much. If I pay rent of \$900 or more, I couldn't afford to pay utilities or buy food. If I had a rental subsidy that would allow me to pay less, I could live in an apartment and I wouldn't have to be in the shelter system or move out of the City I have been in all my life. I have a lot of medical expenses but I am ineligible for either Medicaid or Medicare. Those

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payments come out of my own pocket. I have medical bills coming out of my ear, so I'm stuck in the shelter because I have to make these payments. I also have student loans to pay off, and I could use some assistance.

I applaud the City Council in encouraging both the Governor and the State Assembly to amend the language in the current budget to allow State reimbursements to go towards rental subsidies for homeless New Yorkers. The City Council should continue to meet with the people directly facing these struggles. Both the City and State should involve homeless people and those at risk of homelessness in these conversations so we can create an effective, flexible, and permanent rental subsidy program in New York City.

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**New York State Senate Task Force
on the Delivery of Social Services in New York City
Public Hearing
April 16, 2015**

Good Afternoon. My name is Edline Jacquet and I am the Policy Analyst of the Supportive Housing Network of New York. The Network is a statewide membership organization that represents over 200 nonprofit developers and social service providers who run over 48,000 supportive housing units throughout the state.

Supportive housing – permanent, affordable rental housing linked to on-site services – is the most cost-effective and humane way to provide a safe, stable home for homeless individuals and families living with disabilities or other barriers to finding and maintaining housing on their own.

The people who come to live in supportive housing – chronically homeless individuals and families living with HIV/AIDS, mental illness or other disabling conditions; individuals leaving prison or other institutions; youth aging out of foster care; and now, veterans returning from combat – when left homeless, cycle in and out of expensive emergency services like shelters, hospitals, prisons and psychiatric centers. These publicly funded interventions are significantly more expensive, with hospitals and psychiatric centers costing upward of \$1,000 a day, 20 times the cost of supportive housing. Placement into supportive housing stabilizes tenants and has been proven in dozens of studies from across the country to reduce the use of these expensive services. Among the more recent studies is the NYC Department of Health and Mental Hygiene's evaluation of supportive housing, showing a net public savings of \$10,100 per person per year. This well documented cost effectiveness has made supportive housing an integral component in the State's plan to reduce Medicaid costs.

My testimony today is about the homelessness crisis in New York and how supportive housing can help fight this battle.

Last night there were more than 80,000 New Yorkers that slept in shelters or on the street. While not everyone who is homeless needs supportive housing, it is the proven long-term solution for individuals who are chronically homeless living with mental illness and chronic health conditions and other vulnerable populations that need access to services in order to rebuild their lives.

New York has been at the forefront of supportive housing since the model began over 30 years ago but we suddenly have fewer resources and at a time of record need.

Over the last twenty years, the majority of supportive housing in New York City has been funded through a state-city agreement known as NY/NY. The most current initiative, NY/NY 3, a 10-year agreement that began in 2006, is rapidly coming to an end, with the final 17 units being awarded this year.

Because of that, this year's final state budget supported an expansion of the NY/NY program, both in New York City and also, for the first time, to the rest of the State. However it only seeds the effort with a commitment to produce approximately 5,000 units of supportive housing statewide over five years. This is a minor commitment compared to what the Campaign 4 NY/NY Housing – of which the Network is an active member - is asking for: an agreement to create 35,000 units of supportive housing across the state; 30,000 units in nyc (including 15,000 new construction) and an additional 5,000 in the rest of the state over the next 10 years.

In order to make strides in ending homelessness, we need at least 15,000 new construction units in NYC and 5,000 units upstate over 10 years. Each year in NYC, 20,000 applications for supportive housing are approved, but only one-in-six applicants receive a supportive housing unit.

That is why we urge the Senate to stand with us in our request for a commitment that helps meet the need, and for an official agreement to be reached with the localities this year.

Why should the state continue to invest in supportive housing?

In addition to reducing homelessness and saving tax-payer dollars, supportive housing:

- **Creates jobs** – when the final unit is built, NY/NY 3 will have created an estimated 20,000 construction jobs. While all affordable housing development creates jobs, supportive housing also creates permanent jobs in the buildings for the case management and property management staff. In total NY/NY 3 will have created 2,000 of these jobs with most going to people in the community where the building is built.
- **Grows the stock of affordable housing in our communities** - most supportive housing projects are developed with an integrated model of supportive and low-income housing. Therefore in addition to adding thousands of supportive housing units for New York's poorest residents, the NY/NY 3 agreement is also producing an estimated 2,400 units of affordable housing for working poor families making 60% of AMI.
- **Increases property values** - According to a comprehensive study by the Furman Center at NYU University, neighborhoods that have supportive housing experience an increase in property values thanks to the advent of these properties to their block.

- **Leverages private investment** – With at least a dollar in private investment leveraged for every dollar of subsidy, the state and city have generated nearly \$1 Billion in private financing with their respective capital subsidies. Supportive housing has proven decade after decade to have the return on investment that investors are looking for. As a clear sign of this commitment, the Campaign 4 NY/NY Housing has been joined by almost 50 corporate partners – one quarter of all the co-signers asking for a new agreement.

Conclusion

New York State has steadily expanded its investment in supportive housing. Our state has led the nation in proving that supportive housing is the permanent solution for homelessness and other housing instability.

Supportive housing has allowed New York State to reduce use of shelters, psych centers and incarceration, for a net public savings of \$10,100 per unit per year. It reduces public spending on emergency interventions without decreasing the quality of life for disabled people and the neighborhoods in which we live. State funds also leverage substantial private and federal funding in the fight to end chronic homelessness in New York State. Lastly, the investment in supportive housing and services creates jobs, business and increased tax revenues. For all these reasons, I hope you will work with us to increase the state's investment in supportive housing and echo the need for a new supportive housing agreement.

Thank you for this opportunity to testify.

Respectfully submitted by:

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**Testimony of
The Committee for Hispanic Children and Families, Inc.**

**Before the Senate Task Force
Delivery of Social Services in New York City
April 16, 2015-Senate Hearing Room**

Good morning, my name is Grace Bonilla, President & CEO of The Committee for Hispanic Children and Families, Inc. (CHCF). I want to thank the Chair and members of the Senate Task Force on the Delivery of Social Services in New York City for the opportunity to address you today.

Founded in 1982, CHCF combines education and advocacy to expand opportunities for children and families and strengthen the voice of Latinos in New York. Believing that the most effective way to support Latino families is by building upon their existing strengths and fostering self-sufficiency, CHCF provides a number of programs and services through our Youth Development programs, an Early Care & Education Institute, and Policy and Advocacy initiatives. CHCF's model is innovative in its effective inclusion of cultural and linguistic competencies to effect change.

Social services touch the lives of neighborhoods and families in a variety of ways. Unfortunately, too many times the safety net that was constructed to improve the lives of our most vulnerable, create barriers that prevent climbing out of poverty, accessing essential services or simply complying with the over-regulated systems meant to help in a time of need. For the purposes of this hearing, I will address the challenges in and recommendations to improving access and quality of social services in two main areas: 1) child care and early education; and, 2) youth development. The reality is that there are challenges that affect all social services and those need to be highlighted in order to improve on the more specific issues facing each area.

I. General recommendations

- a. Outdated Systems:** Both state and local governments have to make a real investment in updating the systems that are meant to assist overworked social services agencies manage their work load. Too many times system errors, while frustrating to agencies, can be detrimental to a vulnerable family. For example, if the Welfare Management System, the system used by the Department of Social Services does not correctly capture that someone is homeless without access to a kitchen that person will not receive a much needed restaurant voucher to eat. Many times updating that status is over complicated because

systems do not speak to each other putting the burden on the person in crisis. The same could be said for thousands of small transactions that send clients of the many systems into a downward spiral, everything from updating an address to securing child care can be detrimental simply because the systems that are in place are so antiquated that updates are not done timely and the right checks and balances are not there to account for human error.

- b. **Language Access:** In order to understand the magnitude of the problem, it is important to set the stage - In New York City's public school system 43.3% of all students speak a language other than English at home. Spanish is the most prevalent at 62%, followed by Chinese (14.2%), Bengali (4.2%), Arabic (4.2%), Haitian-Creole (2.3%) and Russian (2.1%).¹ These numbers speak for themselves. Therefore, New York City agencies providing social, human and educational services must implement language access plans that include recruitment and training of bilingual staff and collaboration with community based organizations serving these populations.

Across the board, language access is a problem despite the fact that there are very clear federal, state and local laws that guarantee language access. Below are some of the challenges that need to be addressed:

- i. **Staff on the ground:** While central offices in many of the agencies that oversee our social services systems are aware of the language access requirements, many of the staff providing direct services is not. Often, we hear from people that we serve that they were never offered language services despite obviously struggling to understand an already complicated process. They were denied language access services because the social service worker did not know how to access interpretation services. Or simply, an overworked social services worker knew the interview would take longer and would tell someone "your English is fine, we can continue without an interpreter" while the client struggled through the conversation.
- ii. **Interpretation and Translation Contractors:** This is truly a case of "you get what you pay for". Because agencies are forced into accepting the lowest bidder for critical services, translation and interpretation services fall victim to poor quality. Additionally, there is very little emphasis placed on creating a quality control process that provides the necessary checks and balances to ensure that the translated documents would actually make sense to a native speaker. The result – phrases that are literal translations from English to any of the required languages but do not make sense to the native speaker. This is a huge waste of money for

¹ New York City Department of Education. Department of English Language Learners and Student Support. School Year 2013-2014 Demographic Report. Winter 2014. Retrieved from <http://schools.nyc.gov/NR/rdonlyres/FC0B4035-00DF-4318-A1F7-6EF23C15B7F6/0/20132014DemographicReportFinalWINTER2015.pdf>

government and an even bigger detriment to the person accessing the services.

- iii. **No translation:** While local Social Services Agencies may have on many occasions translated their locally created documents, the reality is that many times the documents that need to be translated are coming from the state. While Governor Cuomo's Executive Order 26, enacted in October 2011 reads, "Executive State agencies that provide direct public services shall translate vital documents, including essential public documents such as forms and instructions provided to or completed by program beneficiaries or participants. The translation shall be in the six most common non-English languages spoken by individuals with limited-English proficiency in the State of New York, based on United States census data, and relevant to services offered by each of such agencies. Translation shall be achieved on a rolling basis to be completed no later than 365 days of the signing of this Order", the reality is that many social services agencies have not complied with this and some do not feel they fit the definition of direct services. The result is that hundreds of notices with life changing news are still received in English by our non-English speaking New Yorkers.
 - iv. **Bilingual Staff:** While the use of interpretation services are a legal right, the reality is that the most efficient way to deliver services is through a conversation between the client and the staff member. It not only reduces the amount of time spent on each interaction, it also guarantees that the information will be more accurate because it has been verified by the social services worker. We understand that this might be a complicated request given the unionized workforce and seniority implications. Nonetheless, we urge that all interested parties are brought to the table so government can find a solution.
- c. **Staff Training:** The reality is that social services workers are overworked and undertrained for the types of crisis that force individuals to turn to a social service system designed to help them. Too often tense situations are made worse because employees of the system have not been trained or trainings have not been reinforced to defuse situations. These situations are made worse with a language barrier. Social services agencies must provide on-going, cultural competence and racial literacy trainings for ALL staff, as well as have an office, work group or taskforce that is charged with addressing issues in racial literacy and meeting the needs of English Language learners. CHCF believes that agencies must better prepare their human and social services staff to serve a diverse, multi-cultural, multilingual public with cultural sensitivity, courtesy and respect. Some of our child care providers and parents with children in our programs complain that too often the agencies' staff is rude and disrespectful. For

instance, one of our child care providers described her interactions with a network administrator as racially tense; in one particular incident, the provider was told with rudeness to “learn English”, despite the fact that the provider indeed was trying to communicate in English.

Overall, human and social services agencies must commit to training all staff on cultural and linguistic competence and commit to undo racism and all other forms of discrimination.

- d. **Contract Management:** Across the board, the way contracts are awarded, managed, and evaluated needs to change. Quite often, social services organizations providing vital services are found in the position of carrying staff and services while contracts are sitting in the numerous agencies that need to process them. While large agencies may be able to support the tardiness of government in delivering awarded contracts, the reality is that smaller, more culturally competent organizations like ours cannot do so. Waiting months or years to receive funding can be detrimental. Not only does it create fiscal vulnerabilities for the organization, it deprives communities of the quality services they need. Additionally, once contracts are awarded organizations are asked to deliver the same service in a shorter period of time, again adding stress to the human capital at each of these organizations. We strongly recommend that this Task Force review the contract system and take a hard look at the unintended consequences to organizations in communities providing the types of services that are vital to the sustainability of our neediest communities.

I would like to turn now to some of the more specific findings in our fields of expertise.

II. Child Care and Early Education

Child Care Subsidies

It is well- documented that child care subsidies and the EarlyLearn programs administered by ACS are underfunded. There are different child care arrangements in New York: center-based, family care based (FCC) and informal. Many families that are eligible for child care subsidies do not receive them. Current child care subsidy policies have major problems: low coverage rates, fragmentary funding and administrative structures, deficiencies in quality improvement, and unequal child care supports across regions.² In addition, ACS’s payment mechanisms and delayed disbursements lead to economic instability, particularly for family child care providers. CHCF works with family child care providers affiliated with our network in Bronx County. One provider expressed their general frustration by saying, “ACS is deaf and mute.”

² *Experiences with Child Care Subsidy Application and Recertification in New York City.* National Center for Children and Families, Teachers College, Columbia University, May 2010.

The cost of child care increases while availability of subsidies decreases. New York offers subsidies to working parents earning at or below 200% of poverty to ensure that all families on public assistance have the child care they need to achieve economic independence.³ However, this is far from what is actually occurring. Subsidies or vouchers are first distributed to families receiving public cash assistance benefits entitled under mandated federal law. Then, if any funding is left over, the city distributes vouchers to families with children in foster care or under ACS supervision. Next are low-income working families and families with a member in an approved study or training program. Other categories, such as parents out of work due to illness or disability, were eliminated. Since federal and state investments have been reduced, 78% of children eligible for subsidized child care are still waiting for a slot and only 22% of the children eligible for a subsidy receiving one.⁴

Promoting quality programs in child care/early education settings

For years, CHCF has advocated for a Quality Rating and Improvement System (QRIS) to assess and improve the level of quality in early care and education programs and incorporate cultural aspects that affect language acquisition and cognitive development. In New York, this system is QUALITYstarsNY, a voluntary program that includes four categories of quality: learning environment; family engagement; staff qualifications and experience; and management and leadership. However, QUALITYstarsNY serves only 375 center-based programs, family-home programs and public schools due to underfunding.

CHCF recommendations to social services agencies for child care and early education settings:

1. Adequate funding for QUALITYstarsNY to have a uniform system with a clear understanding of excellence, cultural and linguistic competence in child care and early learning programs.
2. Directing subsidy recipients to Early Learn programs by improving collaboration and communication among HRA, ACS, and City Hall.
3. Informing current subsidy recipients to Early Learn programs so that funds go back into the subsidy system.⁵
4. Timely pay to child care providers.
5. Adequate funding for EarlyLearn NYC.
6. More resources and support for the FCC and informal child care workforce, and better explanations on how to deal with social service issues: trainings on how to better serve children

³ Children Can't Wait. Make Quality Early Learning a Top Priority in the 2015 Enacted Budget. Center for Children's Initiatives. 2015. Retrieved 4/12/15 from http://www.centerforchildrensinitiatives.org/images/2015/Children_Cant_Wait_2015.pdf

⁴ Ibid.

⁵ Hurley, K., Kramer, A., M. Rosenbaum, A. Miller. Big Dreams for New York City's Youngest Children; The future of early care and education. Center for New York City Affairs at The New School, Summer 2014. <http://www.centernyc.org/>

with special needs, how to support and collaborate with parents who are receiving social services, DLLs, ELLs, etc.

7. Promote quality child care by increasing federal and state-level investments in Child Care Resource and Referral Agencies (CCR&R) networks to improve the quality of care, enhancing states' ability to train providers and develop safer and more effective child care services.

III. Youth Development

CHCF's Youth Development Program staff witness every day the lack of support services for students. Many of our students live in poverty and have experienced homelessness/transitional housing, problems at home, mental health issues, hunger, and bullying. Meanwhile, the number of full-time social workers assigned to schools has been steadily decreasing while a reduced professional staff has to deal with students' school absenteeism, low grades, socio-emotional and behavioral issues. School social workers are typically assigned to work with students that are identified as special education students and designated for mandatory counseling. Unfortunately, under this model, students that are not receiving special education services are left without adequate support for their socio-emotional needs. Traditionally, social service or community-based organizations would fill this gap but funding is being reduced annually and steadily. As a consequence, students' needs in public schools remain unmet, negatively impacting attendance and graduation rates across the city and increasing the dropout rates that disproportionately affect low-income youth of color. According to the Children's Defense Fund Report (2014), the impact of dropping out of school include: being less likely to obtain a well-paying job; more likely to suffer ill health; more likely to be incarcerated as adults; more likely to become parents before they are ready; and less likely to provide their own children the head start needed to break with the cycle of poverty. In order to break this growing crisis, real human and capital investment need to be made that will prevent bigger and costlier problems in the future and help break the cradle-to-prison and gang membership pattern. Holistic approaches must be utilized to address the growing social-emotional and academic needs of our children.

The story of J.R. a former G.P.S. (Graduate, Prepare, Succeed) student in our program illustrates the urgent need of social services in schools. This young man struggled in all areas of school performance and behavior. The school had a social worker that came only once a week and had manage an enormous caseload. Therefore, J.R. was never evaluated. J.R. displayed violent conduct and anger; many times he was disrespectful to teachers and school safety causing school suspensions and absenteeism. To help identify the needs of this young man, CHCF's program staff visited his home to invite the family into the program, better understand their needs, and identify services while monitoring student progress. As a result, J.R. was scheduled for an evaluation. By the time a service plan was put into effect, he was no longer attending school. CHCF's program staff tried to assist J.R. in going to a GED Plus program, however, he did not have the social and human services he needed and ultimately dropped out and seeks employment where possible.

Often the CHCF program staff at the schools are asked to provide additional social services support to families in need, assist in navigating the child welfare system; the family court system; the housing court system; the criminal court system; the special education process, or simply, providing information about food pantries in the community, assisting parents with their resumes or job search process, and advocating for their child to be evaluated for special education and advocating that ALL recommendations for the child are being fulfilled by the school. Although our staff is more than equipped to manage this work, this situation is an indication of the limitations of social and human services agencies.

CHCF's recommendations for youth development:

1. Reinstating an adequate number of social workers, psychologists, and counselors in our schools.

This is a real investment that will prevent bigger and costlier problems in the future and help break the cradle-to-prison and gang membership pattern. Children cannot succeed if they do not have nor feel academic, social, or emotional supports. Youth need guidance to develop self-esteem and coping skills.

2. Supporting the Community Schools model.

The National Dropout Center has consistently highlighted the importance of community-school partnerships that together build a strong infrastructure that sustains a caring supportive environment where youth can thrive and achieve.⁶ A community school model is designed to bring together community supports that will work in partnership with youth and families and the school administrators/faculty to holistically meet the need of the entire family leading to improved student learning, improved family engagement, and healthier communities.

3. Providing on-going professional development training to social workers, school staff and community –based organizations working in schools.

Front line staff has to be well-prepared to provide interventions to meet the needs of students at risk for truancy and dropping out of school; undocumented and migrant students, those transitioning between school and treatment programs or the juvenile justice system; and students experiencing domestic violence and abuse. The goal is to help students and keep them in school.

4. Increasing funding to add more School-Based Health centers. School-based health centers offer an array of services (medical, dental, family planning, and mental health) to youth in low-income communities. This helps decrease the number of students that are absent from school due to an illness and reduces the challenge of working around the parent's schedule to be seen by a doctor.

⁶ <http://www.dropoutprevention.org/effective-strategies>

5. Creating networks among social service agencies streamlining the services being provided and maximizing the number of partnerships that can be created to serve the maximum number of low-income families.
6. Providing more bilingual and bicultural mental health services to youth and families of color.

Students often decline seeking mental health services because (1) the high turn-over rate of therapists and (2) the cultural stigma attached to seeking mental health services. Increasing funding will result in a reduction of the turn-over rate and can support more community education to demystify mental health services.

Conclusion

The role of our social service system is to provide a safety net in order to prevent our most vulnerable neighbors to suffer from hunger, homelessness, lack of educational opportunities and hopelessness. This is true of all of our communities regardless of culture, language, or geography. When our most vulnerable neighbors find a way out of devastating circumstances, as a community, we are all better for it. Likewise, when our social service system fails, it fails us all. These are not just basic human rights but an investment in the future of our state and city. Our hope is that this Task Force will take a good hard look at whether our communities are getting the return on that investment.



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**Testimony of United Neighborhood Houses
Before the New York State Senate Task Force on the Delivery of Social Services**

Current State of the Social Services Delivery System in New York City

Honorable Tony Avella, Chair,
Senate Task Force on the Delivery of Social Services

Presented by Kevin Douglas, Co-Director of Policy & Advocacy

Good afternoon, my name is Kevin Douglas and I am here on behalf of United Neighborhood Houses, New York City's federation of settlement houses and community centers. Rooted in the history and values of the settlement house movement begun over 100 years ago, UNH promotes and strengthens the neighborhood-based, multi-service approach to improving the lives of New Yorkers in need and the communities in which they live. UNH's membership includes 38 agencies employing 10,000 people at 525 sites across the five boroughs to provide high quality services and activities to over 500,000 New Yorkers each year.

Typical member agency services range from pre-kindergarten and afterschool, to youth employment and college access, to adult education and workforce development, to mental health counseling, homelessness prevention, benefit assistance and senior centers. Essentially, our members provide "one-stop" shopping for all community members—be they children, youth, immigrants, older adults or working families. The ultimate goal of these services is to promote the self-sufficiency and wellbeing of these community members.

New York City's Social Services System

In considering the significant scope of NYC's social services system, our recommendations will follow the broad scopes of the system, as defined by the City: 1) **Benefits & Support**, 2) **Community Participation** and 3) **Specific Populations**. In addition, we offer several recommendations addressing the social service system workforce and the nonprofit organizations that employ them.

I. Benefits & Support

Defined by NYC as: *"Emergency financial assistance, employment and unemployment benefits, food stamps, food pantries and soup kitchens, health care, and other benefits"*

UNH member agencies provide a wide range of programming in the "Benefits & Support" category, including: Benefit Counseling, Job Training, Child Care, Center-served Meals, Farmers Markets, Community Gardens, Food Pantries, Home Delivered Meals, Health Fairs, Health Insurance Enrollment, Violence Prevention & Intervention and Home Care.

In order to strengthen this aspect of NYC's social service system we endorse the following policy proposals and investments:

Policy

- **Sanction Reform, S.3596 (Savino);** would require social service agencies to work more proactively with participants to support their ability to meet work requirements. In NYC alone, 77% of work-related sanctions are actually reversed in fair hearings, suggesting many sanctions can be proactively averted, preventing disruption to critical resources for families, while also eliminating wasted state resources on these hearings.
- **Work Experience Program (WEP) Reform, S.3597 (Savino);** would eliminate unpaid work assignments and allow for more productive assignments that could lead to future employment. As the goal of temporary assistance should be to help position recipients for self-sufficiency, alternative work options can and should be developed by social service districts that will help participants gain useful experience and marketable skills.

Investments

- **Child Care;** the NYS FY2015-16 budget included an additional \$14m for child care subsidies and facilitated enrollment. However, in NYC alone, the child care system is only serving 30% of eligible children, meaning an estimated 100,000+ children eligible children and their families are not receiving support. UNH recommends the State strive to close this gap by investing \$2.2bn annually by 2020. This will also allow for parent co-payments to be capped at 10% of household income and reimburse child care providers for expenses incurred for program absences.
- **Career Pathways;** the NYS FY2015-16 budget restores Career Pathways to just \$1.5m. Designed to provide public assistance recipients and young adults with education and occupational skills training, followed by linkages to employers, this State program pre-dates NYC's adoption last year of the "career pathways" model for its entire workforce development system. UNH recommends this program be significantly scaled to help individuals obtain education and occupational credentials and decrease their reliance on public benefits.

II. Community Participation

Defined by NYC as: *"Recreational and community organizations, and volunteer and donation opportunities"*

UNH member agencies provide several types of programming in the "Community Participation" category, including Beacon Community Centers, NYCHA Cornerstones, Teen ACTION and Schools Out NYC (SONYC) After School.

Last year, with \$190m in support from the State, New York City was able to launch Schools Out NYC (SONYC), a dramatic expansion of After School programming for 6th - 8th graders. However, significant need still exists in NYC, particularly for elementary school children, and around the State, with over 1.1 million eligible youth without safe, quality options in their schools or communities.

In order to bolster this system, UNH recommends the following investment:

- **After School;** \$178.5m. While the NYS FY2015-16 budget provided a \$1.5m enhancement to Advantage Afterschool and reversed cuts to the Youth Development Program (YDP) proposed in the Executive Budget, this funding falls far short of need. Recent RFPs for afterschool programming have resulted in 75% of applicants unfunded. A State investment of \$178.5m would allow these qualified applicants to immediately create 115,000 additional after school program seats for youth in NYC and around the State.

III. Specific Populations

Defined by NYC as: “Assistance for families, women, seniors, people with disabilities, homeless people, immigrants, and veterans”

UNH member agencies provide a wide range of programming in the “Benefits & Support” category, including: Domestic Violence Prevention & Counseling, Fatherhood Programming, Adult Day Care, Case Management for Seniors, Senior Centers, Naturally Retiring Retirement Communities (NORC), Home Care, Home Delivered Meals, Developmentally Disabled Person Assistance, Transportation Assistance, Homelessness Prevention, Homeless Outreach, Emergency Shelter, Community Based Mental Health, Primary Care, Youth Counseling & Support, Citizenship Assistance, Literacy Classes and Legal Services.

In order to strengthen this aspect of NYC’s social service system we endorse the following policy proposals and investments:

Policy

- **Community Based Mental Health.** As a result of the Managed Care Transition currently underway in NYS, community based mental health services (Article 31 clinics) are in jeopardy of having to discontinue services due to inadequate reimbursement rates. The benefit of Article 31 services is their embedded nature in broader social service organizations, which both allows community members to receive services in a non-stigmatized setting, while also having the ability to access other needed supports. The cultural competence and localized nature of community services are also key for participants.

In order to assist providers in this period of transition, NYS should establish rates that Managed Care Organizations (MCO) must honor through a transition period of several years. The alternative to community based care will be more expensive hospitalizations.

- **Caregiver Identification, S. 676 (Hannon);** would require that caregivers of older adults and those with disabilities be better incorporated into the health-care decision making process for the individuals in their care. By requiring that hospitals: proactively identify a patient’s caregiver at the time of admission, meet with that caregiver at the time of discharge to discuss after-care, and offer to train the caregiver in certain after-care tasks, the State can ensure that caregivers will be better positioned to care for their loved ones and prevent readmissions.

Investments

- **Homeless Services;** the NYS FY2015-16 budget increased funding for the Homeless Housing Prevention Services Program (HHSP) by \$1m (\$31.3m), which supports the Solution to End Homelessness Program (STEHP), NYS Supportive Housing Program and the AIDS Housing Program. While the budget at large included significant new investments for supportive and affordable housing development, too few resources were directed towards the prevention programs.

UNH supports an additional \$7m for HHSP, with an emphasis on STEHP services—emergency & transitional shelters, drop-in centers, supportive services, rapid re-housing and eviction prevention assistance.

- **Community Based Literacy Services;** while the vast majority of state resources for NYC’s adult literacy programs, including English for Speakers of Other Languages (ESOL) and High School Equivalency (HSE) Preparation flow through the NYS Education Department (SED) to the NYC Department of Education (DOE), some funding is made directly available to community based providers through the **Adult Literacy Education (ALE)** program. These literacy services are essential in helping those lacking English proficiency or a high school diploma gain those skills/credentials and advance in the job market.

The benefits of community-based delivery of these services include wrap around supports such as job training and child care, as well as cultural competence, which is particularly important to segments of the immigrant population in NYC, as well as those that have had challenging experiences within Department of Education (DOE) schools. In addition, as federal administrative actions bring additional immigrants into the mainstream via work authorizations, it is important that they have the literacy skills to succeed and contribute in the job market. UNH supports an additional \$3.7m for ALE.

- **Older Adult Programming;** the NYS FY2015-16 budget maintained \$25.3m for Community Services for the Elderly (CSE), despite there being over 7,800 older adults on waiting lists for services in NYC and around the State. As a flexible funding stream for social service districts, CSE is a key resource used to support senior centers, Naturally Occurring Retirement Communities (NORCS), case management services, personal care, home-delivered meals, transportation and respite care.

In order to permit older adults to remain in their homes and age with dignity, UNH recommends an additional investment of \$21m for CSE to address wait lists.

IV. Workforce & Providers

While the discussion of the New York City Social Service must necessarily revolve around the recipients of those services, it is critical that the agencies contracted to carry deliver those services, and the staff they employ to do so, are not ignored. In order to support the social services workforce and nonprofit social service providers, UNH endorses the following policy proposals and investments:

Policy

- **SCR Clearance Fee Exemption, S.544 (Gallivan);** would exempt non-profit child care providers from the \$25 fee for statewide central registrar background checks. While UNH agrees that it is important for staff that will be working with children to undergo background checks, in not accounting for this expense in state contracts, the per-staff fee amounts to an unfunded mandate on nonprofit social service provider’s budgets, which are already stretched thin.
- **School Age Child Care Regulation (SACC) Reform.** UNH supports reforms that would allow after school providers to operate in school buildings without having to make modifications to the space. Currently school buildings must meet state health and safety standards to be occupied by children during the school day, but once an after school provider begins their programming, a new set of regulations (SACC) kick in, which often find the school space unfit. After school providers are held liable to make corrections to the space, which are often outside of their authority to correction. These could include painting peeling walls, installing additional restrooms, removing posters deemed a “fire hazard”, or installing radiator covers.

- **Prompt Payment of Interest**, (DeFrancisco); previously introduced legislation would ensure that interest payments made to nonprofit social service providers would have to be made on a timely basis. Currently many State contracts are registered late, and as a result, providers must rely on interest-bearing lines of credit. While State law requires that they be reimbursed for this interest, these interest payments are consistently late, if not inconsistent. While vetoed by the Governor several times, this remains an important reform.

Investments

- **Living Wage for Social Services Workforce.** With many of the 116,000+ private sector social service workers in NYC working in underpaid positions without opportunities for advancement, the ability to the system to effectively provide quality care to New Yorkers is in compromised. In NYC an estimated 52% of these employees earn less than \$14/hour and 40% earn less than \$12/hour. Besides creating sadly ironic situations in which social service workers quality for the very same benefits they are employed to help community member access, it leads to costly turnover.

UNH supports the campaign to establish a wage floor of \$15/hour for all social service contract employees.

- **Cost of Living Adjustments (COLA).** After years of deferred COLAs, the last two State budgets have included partial COLAs for human services contracts. While welcome, these enhancements will leave the position of too many social services agencies and staff unchanged. Increased health care, rent, transportation and technology cost increases over time are inevitable in any sector, but are particularly damaging the nonprofit sector as it largely relies on flat government contracts in the face of these increased costs.

UNH recommends full COLA s for all human service contracts across the board, with provisions for continued adjustments into the future. Without such action, the sustainability of individual social service providers, and the sector as a whole, is jeopardized.

- **Nonprofit Human Services Infrastructure Fund.** UNH is pleased that the State acted to adopt our recommendation of the establishment of the Nonprofit Human Services Infrastructure Fund in order to help the sector meet critical infrastructure needs not provided for in contracts. Such expenses could include technology upgrades, renovation &/or expansions of program spaces, emergency efficiency improvements, and accessibility renovations.

While the \$50m FY2015-16 investment is less than the \$500m UNH recommended, it is a welcome start and we encourage the State to work quickly to establish a mechanism for the disbursement of these funds to nonprofit providers, and support this investment into the future.

Thank you for the opportunity to submit this testimony. The New York City social services system is expansive, and while not without challenges, is absolutely critical the well-being of New Yorkers. We look forward to working with Chair Avella and other members of the Task Force to ensure the State's investments and policies best support our City's social service system.

For more information contact Kevin Douglas at (kdouglas@unhny.org) or 917.494.9321

Jewish Board Testimony: New York State Senate Task Force on Social Services

Thank you Senator Avella and the Task Force on Social Services for the opportunity to testify on this important issue. My name is Cara Berkowitz and I am the senior director of government relations at Jewish Board of Family and Children's Services, commonly known as Jewish Board.

First, a quick overview of Jewish Board and our services. Jewish Board is the largest social services organization in New York City, with approximately 50 offices across the five boroughs and an 125 acre campus in Westchester. We serve more than 35,000 people annually with a budget of \$205 million and are the largest mental health provider in New York. We also provide early childhood and preventive child welfare programming, domestic violence treatment and shelter, and services for those with developmental disabilities.

Pending approval from both the Office of Mental Health and the New York City Department of Health and Mental Hygiene, Jewish Board will absorb approximately \$80 million of behavioral health and residential housing funding from the nonprofit F-E-G-S. This large shift in the nonprofit landscape illustrates the biggest challenge in providing social services - the financial struggle of even the largest nonprofits due to inadequate expense and infrastructure funding.

We would like to thank Governor Cuomo, Senators Skelos and Klein and Speaker Heastie for a budget that includes increased reimbursement rates for several social services programs and more funding streams for nonprofits to access capital funding. Despite this acknowledgement of the importance of the non-profit sector, these investments are not enough to appropriately fund social service providers. It also does not allow these non-profits who provide front line care to innovate or effectively integrate health and mental health treatment as the state now requires.

One of Jewish Board's strategic goals is to address all aspects of an individual's life, including mental and physical health, family, housing, employment and education. In many ways, mental health is the predetermining factor in an individual's life, as those with serious mental illness die approximately 25 years younger than the average citizen. More than 68 percent of adults with a mental disorder have at least one medical condition and the combination of health and mental health issues (comorbidities) is associated with more severe symptoms, functional impairment, decreased length and quality of life and increased costs.

These sobering statistics address just some of the reasons why mental health services are so critical and need to be provided for the poor and vulnerable who oftentimes do not have access to good behavioral health care. Unfortunately, the reimbursement provided for these services is inadequate and causes programs to run at a deficit. This issue will be exacerbated as we absorb 6 of F-E-G-S's clinics and will lose money on these clinics as well. Being a safety net provider unfortunately means that services to this delicate population is a challenge, even under the best of circumstances. Service reimbursement rates have shrunk in the past decade and have been frozen in recent years at levels inadequate for providing optimal care, not to mention annual rising personnel and rent costs.

The issue is compounded as other social services needed by the poor and vulnerable also are inadequately supported. Jewish Board foster care programs are stretched incredibly thin as there has been six years of 0% growth in their rates, jeopardizing our ability to maintain quality programs that serve the most vulnerable children and families. Services for children and families needing domestic violence shelter and treatment also are underfunded and do not allow for this population to receive sufficient resources at possibly the most critical time in their lives. We are grateful that Temporary Assistance for Needy Families (TANF) funding for non-residential domestic service providers was increased by \$3 million and have heard that domestic violence shelters have received a rate increase of 2%. This is a promising start but quite simply case workers cannot meet the demands of their heavy caseload, minimal pay and lack of adequate resources without more government funding.

Funding shortfalls have also resulted in nonprofits, including Jewish Board, delaying investments in infrastructure and technology. While investments have been delayed, we are mandated to make major investments in electronic health records and information technology over the next 24 months in order to participate in managed care. Children placed at foster care agencies will be transitioned into Medicaid Managed Care in 2017. Jewish Board and other affected agencies are responsible for the health care of these children and currently receive a cost-based per diem. DOH and OCFS anticipate nonprofits will become network providers of managed care plans and health homes. To be able to partner, agencies need infrastructure to have the ability to share electronic information. The state budget allocated \$20 million to support the transition of foster care into managed care. While a significant \$5 million increase from last year, this funding does not sufficiently fund the transition required of providers.

We are grateful that the state has provided significant investment in nonprofits' potential access to capital. While details are still unclear we are particularly grateful for the \$50 million NonProfit Capital Infrastructure fund, the \$10 million Capital Restructuring Loan Fund, and the \$19.5 million Community Health Care Revolving Capital Fund. Jewish Board plans on applying for this funding, although we recognize that this money will be distributed statewide and is a modest investment across the sector.

As the State mandates new requirements such as the Justice Center, compliance with Executive Order #38, and participation in Medicaid Managed Care, agencies continue to struggle to meet the demands placed upon them. These demands, coupled with low reimbursement rates and lack of required infrastructure affects our ability to provide services to the poor and vulnerable while remaining financially viable.

Thank you and I am happy to answer any questions.



FEDERATION OF PROTESTANT WELFARE AGENCIES

**Testimony prepared for the April 16, 2015 hearing
of the
Senate Task Force on the Delivery of Social Services
on
The Current State of the Social Services Delivery System in New York City**

Prepared By
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**Jennifer Jones Austin
Executive Director/CEO**

About The Federation of Protestant Welfare Agencies

The Federation of Protestant Welfare Agencies (FPWA) is an anti-poverty, policy and advocacy nonprofit with a membership network of nearly 200 human service and faith-based organizations. FPWA has been a prominent force in New York's social services system for more than 92 years, advocating for fair public policies, collaborating with partner agencies, and growing its community-based membership network to meet the needs of New Yorkers. Each year, through its network of member agencies, FPWA reaches close to 1.5 million New Yorkers of all ages, ethnicities, and denominations. FPWA strives to build a city and state of equal opportunity that reduces poverty, promotes upward mobility, and creates shared prosperity for all New Yorkers.

We would like to thank Senator Avella and Members of the Senate's Task Force on the Delivery of Social Services for having this important hearing today. We appreciate the opportunity to testify before you on the current state of social service delivery system in New York City, and share with you recommendations on ways we can strengthen the system.

Invest in the restoration and enhancement of human service funding

As we have seen across the State, New York is recovering and rebounding from the Great Recession. By the numbers, New York State has recovered all jobs lost to the recession and has exceeded its pre-recession payroll levels. On the other hand, the social services sector has yet to recover from close to \$1 billion dollar funding cuts as well as the severe loss of capacity.

New York has the highest income inequality of all 50 states. In 2014, New York's poverty rate was 16%, demonstrating the remaining high demand for social services. With high unemployment and underemployment, residents of New York City have been in greater need of services such as public assistance, food banks, mental health services, and childcare.

Instead of building a budget around the actual social services need of the state, the implementation of 2% spending cap creates blockage to fully restore funding cuts to social service programs that were made during the Great Recession. It is most troubling to see that, despite projected revenue growth in coming years, "unspecified cuts" to human services agencies were made in the current fiscal year. **FPWA asks the legislature to advocate against the 2% spending cap for future budget years to allow re-building of the social service delivery system.**

Guard against future economic downturn

While New York currently has a Rainy Day Fund (RDF), the massive budget cuts we experienced during the Great Recession show that the current RDF fails to provide sufficient protections against cuts to human services and the social safety net when New Yorkers need them. We urge the New York State Legislature to reform RDF.

Since its creation in 2007, the RDF has not been utilized for a variety of reasons including its use as a cash flow fund and prohibitive repayment restrictions. As a result, funding for human services suffered from close to \$1 billion dollar cuts just as demand for those services reached peak levels. **FPWA urges the State to consider the following reform proposals to bolster the RDF and to guarantee its appropriate utilization:**

- Set aside a specific portion of the RDF to protect human services funding, and bolster anti-poverty safety nets.
- Close the current loophole, which allows funds to be utilized as a cash flow fund.
- Raise the fund cap to reflect a realistic safety net given New York's tax revenue volatility.
- Create a deposit mechanism (a percentage of a surplus that reaches an agreed upon level) that allows the fund to grow during times of surplus.

- Abolish the three year repayment requirement, since a sufficient deposit mechanism will ensure the fund is replenished when it is fiscally reasonable.

Please see attached letter of support from Senator Kevin Parker.

Build faith based capacity

An effective way to enhance the social service delivery system in New York is to build capacity of providers that are already embedded in the communities. FPWA was pleased to learn about the Governor's creation of the Office of Faith Based Community Service Development. This action acknowledges the value, commitment and potential of faith-based organizations in the provision of community and social services.

Churches, synagogues and mosques are places where individuals and families trust, and feel most comfortable turning to in times of need. Nationally, **more than 80% of congregations are actively providing social services** such as employment assistance, mental health support/referrals, food pantries/soup kitchens, early childhood care and education, after school tutoring, and housing support.

While the desire to do good is present within the faith communities, many faith-based providers do not have the training or skills to perform certain functions such as fundraising, responding to requests for proposals, evaluating programs, documenting outcomes, making appropriate referrals, and building relationships with City and State agencies. Their delivery of services, while well intentioned, is not always effective and efficient. For example, one of our faith-based members in East Harlem is providing services to seniors, many of who speak Spanish. While they provide culturally competent engagement activities to the seniors, the congregation is not connected with other senior service providers and is unable to make appropriate referrals.

FPWA recommends the Office of Faith Based Community Development Services be funded to allow for distribution of capacity building grants to faith-based organizations throughout the state. We hope this Office will be representative of a wide range of faiths, an asset to faith-based providers and inclusive as it seeks to further develop its scope of work.

Support the work force

One major barrier to the provision of social services in New York City is the retention of a well-trained work force. Addressing complex issues of poverty and marginalization require staff that is committed, educated and experienced. This is a challenge given the low pay rate of social service nonprofits. Many of these nonprofits are small, and do not have the financial ability to increase the pay of their workers without support from City and State contracts. **FPWA encourages the State to institute a \$15 wage floor in its social service contracts, supported by an increased contract rate.**

There are 116,000 social service workers in New York City, who represent a substantial segment of the workforce and of the City and State's economy. Data shows that a majority of front-line social service employees are underpaid and without real opportunities for career advancement. In New York City, an estimated 52 percent of these employees, a majority of whom are women of color, earn less than \$14 per hour, 40% make less than \$12 per hour. Over a third of such workers have poverty or near-poverty living standards, placing them all-too-close to the situation of the client populations they serve.

Given these data, it is not surprising that **annual turnover rates in many parts of the social services sector can reach 30 percent or more** and has sharply increased in recent years, posing a real challenge to the delivery of high quality social services. FPWA member agencies frequently report difficulty retaining qualified staff, largely as a result of pervasive low wages in the social services sector. The impact of these high rates of turnover affects not only the organizations they

work for, but also the clients who are receiving services. Many of these clients tell stories of having their progress slowed, or even halted completely, due to the loss of a case manager.

This large segment of the work force existing in or near poverty also continues to overburden the already stretched social service system. Recent research has shown the potential for significant fiscal benefits to the City in reduced spending on public assistance and higher tax collections that result when low-wage workers have their pay increased. By investing in the fair compensation of social service workers, many would be better able to support themselves and their families without reliance on the same public assistance they help to deliver. **Providing a living wage for nonprofit employees through State contracts will allow for the retention of well-trained staff, and decrease the need for those employees to utilize the services they provide.**

Reform sanctions policies

FPWA has been very pleased with the positive changes of existing welfare programs and policies made by the New York City Human Resources Administration (HRA). In New York City, it is estimated that more than half of work-related sanctions are reversed in fair hearings. By instituting policies that focus on engagement, along with education and training, the number of sanctions in the city, specifically erroneous sanctions, has decreased significantly. We are hopeful that HRA's renewed focus on effectively preparing public recipients for living wage jobs will assist individuals and families to gain and maintain independence.

Current sanctions policies are leading to the overburdening of New York City's social service system. Public assistance recipients are often sanctioned unfairly. Members of sanctioned families are more likely to be hospitalized and visit the emergency room. Sanctioned parents are also more vulnerable to having their children removed by the foster care system, which is costly both in the initial placement and in the resulting negative outcomes common to children who have been in the foster care system.

FPWA strongly urges the State to pass A4250 (Wright)/S3596 (Savino), which will decrease erroneous sanctions and assist in reengaging families after sanctions occur. Families who have been sanctioned and are working to rectify their standing should be supported and reconnected to benefits quickly to prevent a crisis situation. Authorities would retain the ability to sanction those truly and continually not in compliance.

While an initial cost would be incurred through more public assistance recipients remaining eligible for benefits, when balanced with the cost of overturned fair hearings and emergency services these reforms are **cost effective**. The social service delivery system would be better equipped to meet the need of the rest of the population as public assistance recipients engaged in work and education programs are more likely to transition successfully to self-sufficiency, which will result in increased State and local income and sales tax revenue.

HRA is unfortunately not able to end durational sanctions, due to state regulations. This legislative proposal A4250 (Wright)/S3596 (Savino) promotes reengagement efforts after sanctions, which will save the families from falling further into poverty and the taxpayers from paying the much higher cost of shelter and crisis intervention services.

FPWA thanks Senator Avella and the task force for the opportunity to testify today. We look forward to working with the legislature to ensure the New York City social service delivery system is adequately funded and supported to reach its full potential.

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March 16, 2015

Honorable Andrew M. Cuomo
Governor of New York State
NYS State Capitol Building
Executive Chamber
Albany, NY 12224

RE: New York's Rainy Day Fund for Allocation for FY 2015

Dear Governor ~~Cuomo~~: *Andrew*

I am writing to you today with concerns relative to the 2015-16 Executive Budget and a fund that provides vital support to New Yorkers. I respectfully request that steps be taken to ensure that New York State's Rainy Day Fund is appropriately funded.

As you are aware, the budget proposal for 2015-16 sets aside \$315 million for the state's Rainy Day Fund and increases the maximum allowable balance from 3 percent to 8 percent of the general fund. This amount is insufficient to efficiently protect New York during times of economic hardship. These funds are set aside for use in catastrophic events as defined in the State Finance Law and unspent funds are rolled over from the previous years. In the past four years the funds have not been expended nor has a plan been developed for the funds to be expended to my knowledge. The Rainy Day fund has been funded as follows:

SFY 2013-14: \$350 million
SFY 2014-15: \$540 million
SFY 2015-16: \$540 million

The Federation of Protestant Welfare Agencies (FPWA) has proposed several reforms which could guarantee that the Rainy Day fund adequately serves its purpose. First, a specific portion of the Rainy Day Fund should be set aside to protect human services funding, and strengthen anti-poverty safety nets. Second, protections should be established to prevent the Rainy Day Fund from being used as a cash flow fund. Ensuring that funds are available for human services during catastrophic events is far too important to rely on unsteady funding.

As New York State's tax revenue is expected to be volatile, the cap for the Rainy Day Fund should be raised. During times of economic prosperity, a growth mechanism based upon a percentage that reaches an agreed upon level, would bolster the funds for times of economic need. Also, a reliable deposit mechanism would abolish the need for the three year replacement requirement.

The current 2015-16 Executive Budget is a fine first step in ensuring funding for essential human services in the face of a future economic downturn. Guaranteeing a reliable funding mechanism and raising the cap would further protect the residents of New York.

If you have any questions or concerns, please contact me at (518) 455-2580.

Yours in Partnership,


KEVIN PARKER

cc: Democratic Conference Leader Andrea Stewart-Cousins
Senator Liz Krueger, Ranking Democratic Member, Senate Finance Committee
Louie Tobias, Finance Director to the Democratic Conference
Shontell Smith, Minority Counsel to the Democratic Conference
Mallory Nugent, Policy Analyst for Human Services and Poverty Reduction, FPWA

**HUMAN SERVICES COUNCIL
TESTIMONY TO NEW YORK STATE SENATE
FORUM OF THE TASK FORCE ON THE DELIVERY OF SOCIAL SERVICES
Thursday, April 16, 2015**

Good morning Chair Avella and members of the Task Force on the Delivery of Social Services in New York City. I am Michelle Jackson, Associate Director of the Human Services Council, and I appreciate the opportunity to testify before you today.

HSC is a membership association comprising almost 200 of New York City's leading human services organizations – direct service providers as well as umbrella and advocacy groups. Our members are involved in such realms as early childhood education, youth development, health, mental health, employment and services to seniors and immigrants. To operate these programs, our members partner extensively with government and, very often, with City government.

HSC serves our membership as a convener, a coordinating body and an intermediary to government, and we focus on such matters as procurement practices, disaster preparedness and recovery, budgetary issues, and public policies that impact the sector. The human services sector employs 15 percent of New York's workforce and is a bridge to opportunity for so many New Yorkers. The state spends \$10 billion dollars on 9,000 contracts with 5,000 nonprofits. The partnership between human services organizations and the state is vital to the economic health of New York.

We would like to bring the following issues to the attention of this Task Force and the State Senate:

Funding for Social Services Programs

Funding levels have been too low for half a decade, and their effect is exacerbated by inflation. Level funding in the current environment is tantamount to cuts. During the recession, human services were impacted by over \$1 billion in cuts across the State, and have seen very little of that funding return since the economy has recovered. HSC is deeply concerned about flat funding or cuts to human services programs at a time when demand is overwhelming and the sector has been "forgotten" for so long. We strongly urge the State Legislature to increase funding to the social service sector.

Nonprofit Infrastructure Capital Investment Program

HSC advocates for greater reinvestment in the human services sector. While we commend the State for passing a budget for FY2016 that invests \$50 million, it is only a drop in the bucket. An adequately funded Nonprofit Infrastructure Capital Investment Program will enable targeted

investments in capital projects to improve the quality, efficiency, accessibility, and reach of nonprofit human services organizations that serve New Yorkers. It is in the State's interest to have a healthy, stable nonprofit sector capable of delivering high-quality, efficient and effective services to its residents. The alternative—nonprofits with substandard or inefficient facilities and overextended personnel running perpetual capital campaigns for basic infrastructure needs— only serves to limit the capacity and quality of the very services the State contracts with those nonprofits to provide. To that end, we urge the State to increase investments in the human services sector in the future. Meanwhile, we stress the importance that the State ensures clarity and efficiency in the RFP process.

One of the aspects of nonprofit operations that presents the greatest difficulty is that of physical infrastructure and technology. The narrow administrative margins on contracts, escalating costs of doing business, including finding and retaining qualified staff, leaves little room in budgets for the purchase, maintenance or upgrade of capital needs. These needs include capital and technology expenses such as:

- Weatherization and “greening” of buildings to promote energy efficiency;
- Modifying existing structures to be fully accessible to individuals with disabilities (installing ramps, bathroom retrofits, elevator repairs and updates, etc.);
- Replacement of dated, dysfunctional boiler systems and roofs with compromised integrity;
- Purchase of back-up generator systems necessary to maintain services during crises such as Hurricane Sandy;
- Upgrade of kitchens with commercial-grade quality and capacity appliances to enhance food preparation and storage capacity;
- Purchase of new furnishings to help establish a welcoming service-delivery environment;
- Replacement of dated desktop computers, laptops, servers, mobile devices and other electronic technology necessary to maintain agency and program operations; and
- Purchase of software and phone system upgrades; purchase of necessary licenses

Cost-of-living Adjustments (COLAs)

Through the advocacy efforts of HSC, human services COLAs are funded at \$84 million for Fiscal Year 2016. We thank the Legislature and the Governor for recognizing the importance of the sector, which has been forgotten for too long despite ballooning costs and demand. This funding will help to stabilize our workforce so that we may continue to deliver essential services to New Yorkers who need them. While the \$84 million appropriation covers COLAs for direct

care workers (and starting April 1, for clinical staff as well), many areas of the sector have yet to receive a COLA. The continued COLA denial in those areas, as well as no COLAs for the five previous years, puts many nonprofits in the difficult position of having to decide where to cut costs in an already dismal funding landscape. Wage freezes and, in some cases, wage reductions, along with cuts to fringe benefits and staff development, created a recruitment and retention crisis in the sector.

A skyrocketing cost of living, combined with stagnant or falling wages for many who are lucky enough to find work, has left many New Yorkers in need of help. Facing soaring demand and shrinking resources, providers have been forced to make difficult decisions, such as laying off staff, freezing or reducing salaries, reducing contributions to health insurance plans and other benefits, drawing on reserves, and forgoing much-needed investments in training and infrastructure. With low wages and diminishing benefits, frontline workers are increasingly seeking services themselves. In many instances, it has resulted in low morale and high staff turnover, further exacerbating the challenges social service providers face. According to a study by Council of Child Caring Agencies, the turnover rate in preventative services alone was 35%. Nonprofits are struggling to do much more with much, much less. We are seeing the effects of this financial starvation in the form of program and organization closures, diminished quality and reach of services, greater signs of ongoing financial instability among too many organizations, and a very low-wage workforce with fewer benefits. For us and the communities we serve, the recession is not over. The funding environment has become untenable. We therefore strongly recommend a larger increase and a broader coverage in the future.

More Funding of Indirect Costs

On December 26, 2013, the federal Office of Management and Budget (OMB) "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award" ("Guidance"), which put entities that distribute federal funding on notice that they must cover at least *some* of the reasonable indirect costs incurred by their nonprofit partners. The Guidance provides that nonprofit awardees that have a negotiated federal indirect cost rate must be reimbursed at their negotiated rate by all Federal awarding agencies. It allows for a one-time extension without further negotiation of a federally approved negotiated indirect cost rate for a period of up to four years. Under the Guidance, nonprofit awardees that do *not* have a negotiated federal indirect cost rate may choose to: a) charge a *de minimis* rate of 10 percent of their modified total direct costs (MTDC); or b) negotiate for a rate.

It has come to our attention that many State and City agencies have yet to interpret and apply the Guidance. HSC urges the State to do so in a way that is not only consistent with the intent of OMB, but that also alleviates some of the financial and administrative stress afflicting nonprofit organizations. Specifically, we ask that the State:

- Establish an indirect cost rate floor of ten percent for organizations that do not have an approved negotiated federal indirect rate; and
- Require that pass-through entities honor a nonprofit organization's approved negotiated federal indirect rate if there is one and the organization elects to use that rate.

Although the ten percent rate is in fact *de minimis*, the reality is that it is still higher than what many New York State and City human services contracts currently allow. Every organization, regardless of its tax status, incurs legitimate indirect costs in the course of doing business—and those costs continue to rise for all. At some point, however, nonprofit organizations were singled out and held to a much more stringent standard for indirect costs.

Nonprofit organizations provide services on behalf of government, and yet the sector is deprived of the funding that would put it on equal financial footing with government agencies. Without adequate funding for indirect costs, organizations cannot:

- Acquire, maintain, or modernize mission-critical facilities and equipment
- Harness the power of technology to realize efficiencies
- Provide training for staff to ensure high-quality service delivery
- Pay living wages and provide career ladder opportunities to attract and retain qualified staff
- Invest in advocacy, strategic planning, or innovation to ensure sustainability
- Expand services to meet growing need as inequality becomes amplified

By engaging in more consistent and realistic funding of indirect costs, the State can help to stabilize this socially and economically important sector.

Reducing Bureaucratic Red Tape and Duplicative Over Regulation

The nonprofit sector is an integral part of the health and welfare of New Yorkers, and nonprofits are committed to delivering services to the growing number of people in need with ever-shrinking resources. Nonprofit human service providers leverage State dollars with private philanthropy, providing services at a greater value than the State could do on its own. This is in part due to the sectors goal of efficient and effective operations. However, the human services sector faces bureaucratic red tape and duplicative over regulation that hampers that goal. For example, Executive Order 38 on Executive Compensation and Administrative Overhead creates a new layer of reporting burdens on nonprofits.

The reporting scheme is new and can be quite confusing for providers, and executive compensation is already dealt with in other portions of nonprofit law. We encourage this Task Force to review regulations like Executive Order 38 to streamline and remove duplicative reporting schemes, while strengthening accountability.

Campaign Finance Reform

This year, ethics reform was an extremely important part of the budget. One of the Governor's proposals to promote government transparency would have created a substantial burden for nonprofit organizations. Lawyers Alliance for New York led a coalition of groups, including HSC, in advocating against portions of the bill that would have adversely impacted the nonprofit sector. The original proposal would have required everyone, including non-political, nonprofit human services organizations, to register as political committees if they mention a political candidate in a mailing before an election. The bill's broad definition of "electioneering communications" encompasses routine newsletters, annual reports, news round-ups, and more as partisan political communication. Thanks to the leadership of Lawyers Alliance, nonprofit organizations with 501(c)(3) status, as well as membership organizations with 500 or fewer members, are now exempt from this requirement. We want to thank the Legislature for recognizing the negative impact these policies would have on the human services sector. We hope to work closely with the Task Force in making sure that we have true reforms that does not hinder the social service sector from serving the communities of this State.

We hope that State legislators will recognize the integral role that nonprofit human services providers play in preventing, alleviating, and reducing poverty. We look forward to working with the State Senate during this legislative session to ensure smart, equitable investment in this important sector for the benefit of all New Yorkers.

Once again, thank you for the opportunity to testify.

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**NEW YORK STATE SENATE
TASK FORCE ON THE DELIVERY OF SOCIAL SERVICES
IN NEW YORK CITY**

**PUBLIC HEARING ON THE CURRENT STATE OF THE SOCIAL SERVICES
DELIVERY SYSTEM IN NEW YORK CITY**

**TESTIMONY BY BEATRIZ DIAZ TAVERAS, EXECUTIVE DIRECTOR OF
CATHOLIC CHARITIES COMMUNITY SERVICES, ARCHDIOCESE OF NEW YORK**

APRIL 15, 2015

INTRODUCTION AND OVERVIEW

Good Morning Senator Avella (and other members that may be on panel). Thank you for affording me the opportunity to come before you today.

I am Beatriz Diaz Taveras, Executive Director of Catholic Charities Community Services, Archdiocese of New York. I am pleased to speak about the work of Catholic Charities in the delivery of social services and the current challenges we, as providers, face.

CATHOLIC CHARITIES BACKGROUND

The Catholic Charities of the Archdiocese of New York seeks to uphold the dignity of each person as made in the image of God by serving the basic needs of the poor, troubled, frail and oppressed of all religions. We collaborate with parishes and Catholic and non-Catholic partners to build a compassionate and just society. Through a network of administered, sponsored and affiliated agencies, Catholic Charities delivers, coordinates and advocates for quality human services and programs touching almost every human need, including:

- Protecting & Nurturing Children & Youth
- Feeding the Hungry and Sheltering the Homeless
- Strengthening Families and Resolving Crises
- Supporting the Physically and Emotionally Challenged
- Welcoming and Integrating Immigrants and Refugees

The Catholic Charities network of 90 agencies is committed to serving those of all religions with compassion and dignity. Through its stewarding Mission project it fosters the highest standards of corporate governance and managerial accountability among its agencies to promote compliance, accountability and transparency. As such, Catholic Charities supports initiatives to ensure these standards are upheld and put into practice. At the same time, there is concern that certain recent initiatives such as restrictions on executive compensation, caps on administrative costs and additional licensing requirements, while intending to further these, create duplicative burdens that increase administrative costs and do not further accountability. We are committed to working with New York State to ensure high standards for nonprofit organizations that serve the most vulnerable New Yorkers.

New York State has been a leader over the years in respecting and encouraging this by promoting and allowing for this diversity of racial, ethnic and religiously-affiliated agencies to provide for the common good. New York needs to continue to do so. Our Catholic Charities agencies remain committed to being vital partners with New York State in serving our neighbors of all religion in need and continuing to do so in accord with the inspiration and values of our faith.

OVERVIEW

Coordination and Streamlining

One of the unique challenges facing the delivery of social services in New York City is our federal system of government that oftentimes combines funding from different levels of government in order to operate one program. The coordination of regulatory, and reimbursement methodologies and awkward attempts at coordination negatively impact the lives of vulnerable New Yorkers. A concerted effort to streamline and coordinate programs in which both New York State and New York City have a role, is urgently needed.

Investment in Human Services

As the cost of providing quality human services in New York State has continued to increase, State reimbursement has not kept up with the real cost of doing business in New York State. The lives of vulnerable New Yorkers are enhanced by the strong partnership between the funding provided by NYS and the expertise, efficiency and effectiveness of New York's non-profit human service providers in delivering critically needed high quality services. This partnership is becoming increasingly threatened by regulatory, contracting, compliance and reimbursement issues. There have been some promising initiatives that build on this partnership, yet more needs to be done to a) support a capital investment in infrastructure whereby non-profit human services providers can upgrade technology, increase accessibility efficiencies to meet their contract needs; and b) support a cost of living adjustment that truly recognizes the difficulty of providing quality services based on rates that don't accurately reflect rising costs in an ever-increasing climate of demand for services.

The current \$50 million investment is a good start, but it only represents 10 percent of the cuts the sector has endured since 2009. While Catholic Charities supports this much-needed investment in Infrastructure, the non-profit sector is still playing catch-up. If we are to truly fund this initiative, then we are looking for an investment of \$500 million.

We applaud the initial investments of a cost of living adjustment for the lowest paid direct care workers as a great start and a much needed investment in the Human Services Sector. But as the cost of providing quality human services in New York State has continued to increase, State reimbursement has not kept up with the real cost of doing business in New York State. Our commitment to providing these much needed services has not waived, and we are confident that New York State will renew its commitment by reinvesting in this critical sector.

CATHOLIC CHARITIES IN THE SOCIAL SERVICE DELIVERY SYSTEM

Catholic Charities Community Services (CCCS) is an integral part of the social service network in New York City and the Lower Hudson Valley. Our professional case management staff works with families to resolve immediate crises and develop plans for long-term stability. Our targeted interventions help to ensure improved quality of life. We seek to meet every human need with dignity and without discrimination and we help New Yorkers in need understand and access the services to which they are entitled. Our model emphasizes a holistic approach which begins with the engagement of the client in a supportive environment. . Last year, CCCS helped 1,257 individuals with emergency financial assistance to meet urgent needs for medicine, transportation, and infant needs and furniture. 3,145 people were assisted with critically needed social services.

In coordination with our housing programs, CCCS provides homelessness prevention case management services, including advocacy and financial assistance to support families in need through times of crisis. Last year, we prevented the eviction of 4,075 families and 996 individuals received job training, job placement and retention support. CCCS works not only to intervene in an emergency, but also to guide and educate families with employment resources, budget counseling and financial literacy to prevent future crises.

CCCS supports families struggling with food insecurity via a network of forty-one emergency food programs including food pantries, soup kitchens, mobile food pantries, and senior centers. We continue to engage in SNAP (Supplemental Nutritional Outreach Program) outreach and enrollment, community gardening projects and nutrition education. Case management is also an essential component of our emergency food program. Last year, we provided over 3.4 million meals throughout our network to over 34,000 individuals and families.

CCCS continues to serve families who are still struggling with the aftermath of Superstorm Sandy with funding from NYS Division of Homeland Security and Emergency Services. In collaboration with 16 partner agencies, we have already assisted 7,075 families in their recovery process. We are currently working with 2,468 families in their ongoing effort to return to their homes.

CONCLUSION

The lives of vulnerable New Yorkers are enhanced by the strong partnership between the funding provided by NYS and the expertise, efficiency and effectiveness of New York's non-profit human service providers in delivering critically needed high quality services.

Thanks again for the opportunity to offer testimony on this important topic.

Testimony
New York State Senate Public Hearing
Task Force: Delivery of Social Services in New York City
By Ralph Palladino, 2nd Vice President
on behalf of Eddie Rodriguez, President
AFSCME DC 37 Local 1549 Clerical-Administrative Employees

Local 1549 represents 16,000 employees of the City of New York and Health and Hospitals Corporation. We represent Eligibility Specialist Level III, Clerical Associates and Community Assistance Counselor titles in the NYC Human Resources Administration (HRA).

We thank you for holding this hearing. We also thank the Governor, Mayor, State Director of Medicaid Helgerson and HRA Commissioner Banks for listening to and responding positively to our recommendations over the past few years concerning Medicaid and the Affordable Care Act (ACA).

Local 1549 has long been a strong force for quality delivery of services for Medicaid and Supplemental Nutrition Application Program (SNAP). Some of our members are SNAP recipients and a few are homeless. We actively promoted and fought for expansion of SNAP, the ACA and Childcare services at all levels of government.

SNAP Advocacy

Three years ago when SNAP applicants were seen winding around street corners waiting for service. The city administration, press and others were blaming the waits on finger imaging we correctly pointed out to the public that it was the short staffing of Eligibility Specialist Level III (ES) that was the chief problem.

The terms of the discussion changed and staffing was increased. In large part, thanks to that advocacy there was a resulting shorter waiting time and fewer errors in processing of SNAP applicants.

Medicaid-ACA Advocacy

Local 1549 has since the beginning of the state planning for ACA and Medicaid reform advocated that the NYC HRA and its workforce be the main vehicle for Medicaid application and recertification for the city. The argument was based on New York City's uniqueness in size and demographics along with HRA having an already developed, extensive network throughout the five boroughs as selling points.

After many twists and turns the state agreed that it would be a good idea to implement this proposal and so HRA became responsible for the recertification process while the state handled the new applicants. The current city administration also agreed. The result has been a big success. Our members perform re-certification duties with lower wait times and errors.

President Obama recently signed an Executive Order that would guarantee undocumented immigrants the right to use healthcare services previously denied. During the past few months we have argued for the state to broaden eligibility to the extent that it would include the ability of the state to use funds to pay for those undocumented immigrants that gain the right. The state has passed some assistance in the budget just passed. This would enable true safety net healthcare institutions to recoup funds that would otherwise be lost due to the President's action.

SNAP Issues and Recommendations

NYC HRA has instituted some very good changes in the processing of applications for SNAP. It still remains labor intensive. However phone lines have been used more frequently and most centers use the computers also. The phone line (TIPS) usage has led to some backlogs in processing applicants due to lack of proper documentation and misunderstanding. It has led some applicants to make some needless return visits to the centers. It is a fact that those people who do not apply for SNAP won't due to delays and waits for approval and being forced to return a multiple amount of times to process the same application.

Face to face staffing is stretched thin because many of our members have been pulled off the front line that application process to work the phone lines and assist at the computer stations. We still have clients waiting long times for face to face service than there should be due to lack of staffing.

Staff and clients have said they like the face to face interviews better. For one thing the ES III's still must collect the documentation required for applicants to produce. There are also many questions that need answering and mistakes are more easily rectified in these face to face interviews. Seeing documents in question is obviously better than talking about them over a phone. It is less likely someone will bring in the wrong documents as many times or have their cases delayed before approval when the ES and client are face to face.

HRA staffing for Eligibility Specialists III and Clerical Associate III should be increased to staff the phone line and replenish the positions left vacant due to reassignment. The emphasis should be placed on face to face interviews however.

We also think that Eligibility Specialists could be deployed outside of traditional office settings in order to further expedite servicing. This could be in other city agencies, HHC facilities and elsewhere.

Our members working at HHC's Metro-Plus HMO already are working in communities and in hospitals doing recertification for Medicaid patients. Our Client Navigator title in HHC has information providing to the public as part of its job description. They can also perform translation duties. The precedence is there already for utilizing new places for information and application processing.

Medicaid Application Program (MAP On Site) offices are also in some city hospitals. This helps with patients getting health insurance. Why couldn't SNAP satellites be utilized also.

Community Based Organizations have been valuable assets in reaching those eligible for SNAP. However the applications they generate must be finalized by ES III employees. This means that proper staffing of ES III must be maintained and enhanced in order to expand SNAP.

Finally we think the state should broaden eligibility requirements to the extent that it would include the undocumented immigrants that would be affected by the President's Executive Order. This would be a "win-win" for the businesses and those who need food stamps. The funding would come from the federal government. Certainly it should be explored.

Some advocates have suggested that the state could to raise SNAP eligibility from 130% of poverty line to 200% of poverty for households with dependent care expenses. They could expand use of this provision to all households and that would be paid for entirely by federal government.

Multilingual Issues

All of the city's Interpreter Services are presently contracted out to private vendors. This work is being done by use of phone lines. In HHC facilities it is being done by contractors and use of volunteers.

The New York Immigration Coalition has documented by a study that face to face interpreter services are more efficient. It is better for the person needing an interpreter. In many instances a mistake in interpretation or lack of well trained, certified interpreters could lead to someone losing a benefit and adversely affect their healthcare. Having face to face interpreters would also alleviate waiting times since there are often waits for the phone lines.

The city currently has thousands of applicants who passed the Interpreter Civil Service test but the city has not moved the list. This has been the case for over five years predating the present administration.

In the areas of SNAP, Medicaid Programs and Healthcare it is especially important to have face to face interpreters. It would reduce wait times and better guarantee the communication accuracy between employee and client. We suggest the city move the current list, hire the civil servants and this would mean better service to program recipients and patients.

Childcare Expansion

Nothing helps working families more than childcare. Quality childcare is essential for family members to be able to work and earn a living. Unfortunately quality childcare is very costly and is not readily available everywhere.

The state needs to do more to expand childcare and make it affordable to working New Yorkers. Studies show that childcare enhances productivity for businesses and public services. It makes sense since employees can go to work and not worry about their children's well being. These parents take off less work hours thanks to childcare.

Private industry should be encouraged to do more for childcare expansion as should the city and state. City and state employees need childcare also.

Expanding Centers and Childcare Facilitated Enrollment

Local 1549 played a key role in the building of a worksite, 24 hour childcare center at Bellevue Hospital some 10 years ago. The center has been fully utilized.

We think that the success at Bellevue is an example of what can be done in many worksites throughout the city. This includes where emergency services are located such as public hospitals and 1 Police Plaza. The center that existed at 1 Police Plaza was providing services until it was closed by the prior administration. Such centers would increase city employee's productivity and boost morale.

Childcare Facilitated Enrollment Project that the state just expanded should be expanded further. It provides childcare assistance to working parents in private and public employment and makes it more affordable. Certainly keeping this project and expanding it further will help those in need of the service.

Request Summary

- Overall state support for NYC HRA and the HHC that serve those most in need. Public dollars should primarily be spent on public institutions.
- Support and help find funding sources for additional ES III and Clerical Associates for the SNAP so as to enhance face to face client processing for benefits.
- Continue to support HRA's mission to perform recertifications for Medicaid programs for New York City residents.
- Seek to find ways to utilize ES III in non-traditional office settings like is done with MAP On Site at hospitals in order to enhance outreach and the ability for the public to sign up for SNAP.
- Explore and encourage broadening the eligibility requirements so as to enable immigrants in the country under five years and undocumented immigrants be better able to receive SNAP benefits mandated by President Obama's Executive Order when it is implemented.
- Encourage or mandate that the city use the Interpreter Title rather than a private phone line contractor that pays its employees low wages and no benefits. Move the current Civil Service list for this title. This would enhance services.
- Support working families in need of Childcare by increasing subsidies, help funding building needed centers that provide safe and quality services. This means centers staffed by union personnel.
- Continue to support and expand the Childcare Facilitated Enrollment Program.
- Oppose Block Grant proposals in Congress for SNAP and Medicaid. This is just an excuse to reduce benefits and staffing.

Local 1549 stands ready to assist the state and city governments in carrying out our proposals. We are available for consultation on any or all of the issues presented. Our members and staff are the true experts in how better to deliver services to the people of New York.

Thank you.

ADDENDUM TO TESTIMONY

For New York State Senate Public Hearing: Task Force on Delivery of Social Services in New York City.

Ralph Palladino, AFSCME DC 37 Local 1549

- That the city be encouraged to provide tests for ALL of the various languages other than Spanish which is the only test that has a current list.
- That the NYC DCAS be encouraged to offer special Eligibility Specialist and Clerical Associate test that require use of various languages.

**New York Senate
Public Hearing
Senate Task Force on the Delivery of Social Services in New York City
Senator Tony Avella, Chair
April 16, 2015**

LiveOn NY (formerly Council of Senior Centers and Services of NYC, Inc.) is dedicated to making New York a better place to age. Founded in 1979, with a membership base of more than 100 organizations that provide 800 programs ranging from individual community-based centers to large multi-service organizations, LiveOn NY is recognized as a leader in aging.

LiveOn NY's membership represents over 1.4 million older New Yorkers annually and is comprised of organizations providing an array of community based services including multi-service senior centers, congregate and home-delivered meals, elder abuse prevention, affordable senior housing with services, case management, NORCs and other services intended to support older New Yorkers in the community. LiveOn NY connects resources, advocates for positive change, and builds, supports and fosters innovation. Our goal is to help all New Yorkers age with confidence, grace and vitality.

LiveOn NY also administers **The Older Adult Benefit Outreach Initiative**, an innovative and unique program that places friendly, knowledgeable volunteers and carefully selected, highly-trained retired professionals within low-income, high-needs communities to educate thousands of older adults, including those who are homebound, about food assistance options, and screen and enroll those who are eligible for Supplemental Nutrition Assistance Program (SNAP), Senior Citizen Rent Increase Exemption (SCRIE) and other benefits, as detailed below.

The population of older adults living with financial insecurity is growing. Because income for older adults remains fixed, or worse, declines over time, many adults live on a fiscal cliff, and rely on vital social services for survival. According to the NYC Center for Economic Opportunity, 1 in 3 New Yorkers over the age of 65 lives in poverty. Given these alarming statistics, seniors are forced to make difficult decisions every day regarding their finances, and effective and efficient access to social services is key in their daily lives.

Given this alarming reality, coupled with the needs that will continue to expand in the coming years, LiveOn NY thanks Senator Avella and the Senate Task Force on the Delivery of Social Services in New York City for taking a leadership role in addressing these important issues and looks forward to working in collaboration with you to make New York a better place to age.

Delivery of Social Services in New York City

LiveOn NY's Unique Approach to Senior Enrollment and Access to Social Services: The Older Adult Benefit Outreach Initiative

The Challenge

In the next few decades, the composition of New York State's population will change dramatically as a result of the aging "Baby Boom" population, continuing increases in life expectancy, and New York's increasing diversity. As these demographic shifts occur, the needs of the elderly will expand and change. By 2030, New York's 65+ population will significantly increase to a projected 3.9 million, a 60% increase from 2000. This group will comprise 20% of the total population compared with 13% in 2000. Consequently, the elderly, who were less than one in every seven New Yorkers in 2000, will make up one in every five in 2030. At the same time, inadequate income continues to be a critical problem facing the elderly in New York.

Whereas the United States has experienced a decline in the national poverty rate for older people, New York's older adults have experienced an increase in poverty with data showing that one in three are currently poor. Further, the average annual income for older New Yorkers is often inadequate to cover the high cost of living in New York but does not allow many to qualify for public assistance benefits.

Given that research continues to show that most people desire to age in place as they grow into their later years, the time to address this issue is now. Within New York, older adults and adults with disabilities are consistently "under-enrolled" in public assistance benefits. Among those living with hunger, the under-enrollment rate of SNAP benefits is around 40%. In New York City alone, a recent NYC Department of Finance Report stated that SCRIE enrollment across the city is 43%, leaving nearly 70,000 seniors eligible for SCRIE, but unenrolled. Similarly, the Low-Income Home Energy Assistance Program (HEAP) is underutilized, with many individuals reporting they are unaware that the programs exist. Nationally and at the State level, Medicare Part D and Medicare Savings Programs are regularly underutilized by eligible individuals. Among the top barriers for benefit utilization particularly among seniors include stigma or misunderstanding, language barriers, apprehension about the process and government systems, and physical obstacles such as travel distance or unwelcoming environments. LiveOn NY's Benefit Outreach Initiative addresses these issues for seniors.

How the LiveOn NY Older Adult Benefit Outreach Initiative Works

In this unique citywide initiative, highly trained retired professionals, are available to educate, screen, and assist seniors, including those who are homebound, in many languages in determining eligibility and in applying for multiple benefit programs.

Programs/benefits include:

- Medicaid
- Medicare Part D Low-Income Subsidy/Extra Help
- Medicare Savings Program (Part B Coverage)
- SCRIE - Senior Rent Freeze Program
- SNAP - Supplemental Nutrition Assistance Program
- HEAP - Home Energy Assistance Program

The Older Adult Benefit Outreach Initiative conducts screenings and application assistance in several different languages at outreach sites in various high-needs communities, and also to homebound seniors. These outreach sites are located in spaces that offer familiar, comfortable, safe, senior-friendly locations for peer volunteers to meet one-on-one with older adults to screen for eligibility and assist with benefits application. The Initiative also provides education, screenings and application assistance events which are held at additional locations such as community centers, faith-based organizations and libraries. In the past, we primarily focused on SNAP and SCRIE but have very recently expanded the Initiative to include other benefits, as it became apparent that we could better serve clients who often had questions about a number of social services benefits.

Outcomes and Results of the Initiative: The Initiative is a cost-effective, concrete way to help older New Yorkers struggling with hunger, poverty and affording to stay in their communities. Because we have been working on SNAP benefits for fiscal year FY14 (July 2013-June 2014), we are able to report the following impact to date on SNAP outreach alone:

Outreach Sites	Older Adults Screened for SNAP	Older Adults to receive SNAP Benefits	Average Monthly SNAP Benefit for each Older Adult	Total Monthly SNAP Benefits	Total Annual SNAP Benefits	Annual Effect on the local economy*
107	2,200	1,320	\$147	\$194,040	\$2,328,480	\$4,191,264

*The USDA reports that every \$5 of food stamps generates \$9 in total community spending

In addition to bringing benefits to older adults in need, the Initiative a) provides civic engagement opportunities for older adults program volunteers; and b) enhances the benefits outreach and enrollment capacity of local communities.

LiveOn NY believes this unique model that addresses the common barriers to delivery of social services in New York City is successful and we look forward to continuing to work to connect the thousands of older adults on the fiscal cliff with access to these vital benefits.

New York City Human Rights Administration (HRA) “Benefits Reengineering”

Based on our Benefits Outreach Program, and the work performed by our aging network membership, LiveOn NY is acutely aware of the complexity and coordination necessary to administer the broad base of social service programs in New York City, particularly to older adults.

LiveOn NY applauds HRA for their recent efforts toward “benefits reengineering” focused on strategic and efficient delivery of services. One example is the utilization of technology, such as smart phone document submission apps and online uploads of enrollment forms, to make enrollment processes for seniors more accessible, quicker and less onerous.

Recommendations: While these developments are positive, the rollout is expected to occur over a multi-year process, and will not be available widely in the immediate future, so LiveOn NY recommends providing input in these areas regarding senior enrollment to help move this process along. Secondly, we request that city agencies look to LiveOn NY’s Benefits Outreach Program to help older adults who may not be comfortable using technological options for various reasons to help bridge any digital divide, so that they can still confidentially take advantage of the expedited process.

Further, LiveOn NY recommends that HRA continue to work on identifying waivers and other innovative strategies to simplify application procedures for seniors. LiveOn NY is eager and willing to work with agencies in this process.

Title XX Funding

There is a serious concern about Title XX cuts, which provides some funding for senior centers in New York City. It is important that federal, city, state and local governmental agencies have a full understanding that the potential cuts to funding at the federal level impact programs and services at the state and city level.

Case Management Services

Currently there are 2000 frail, homebound seniors in New York City (7500 statewide) sitting on waitlists for a social worker to visit their home to assess their needs and provide ongoing services. In NYC, while caseloads did go down slightly to an average of 65 cases per social worker from last year, the waitlist has increased to nearly 2000. On the state level, LiveOn NY requested an additional \$21 million statewide for Community Services for the Elderly (CSE) Funding which could be used by counties for case management, among other services. \$2.5 million was included in the final budget. On the city level, LiveOn NY is advocating for an additional \$3.0 million, in addition to the \$2.6 million that was baselined from last fiscal year, for the case management program to reduce caseload size, and eliminate waitlists.

Recommendation: LiveOn NY continues advocacy at the city and state levels for funding the growing need for Case Management services and to build upon the agency infrastructure as

cornerstones to strengthening the Case Management system. No homebound senior should be on a waitlist for these vital services.

SCRIE

On behalf of thousands of vulnerable older New Yorkers benefitting from the SCRIE program as well as the near 70,000 more who could be enrolled but are not, according to the New York City Department of Finance Report (DOF) *Freeze Your Rent* report, LiveOn NY was proud to work with both the State Legislature and City Council to get the SCRIE income eligibility level increased to \$50,000 last year, which has a direct positive impact for the thousands of older New Yorkers who are on the fiscal cliff. With the income increase eligibility set to expire in July 2016, it is hard to imagine how the State Legislature could allow the \$50,000 income eligibility to disappear, leaving thousands of older New Yorkers without adequate protection to face eviction and homelessness. LiveOn NY strongly urges the State Legislature to ensure the income eligibility increase does not sunset.

Recommendations: In addition to eliminating the sunset provision, LiveOn NY has two additional recommendations regarding the SCRIE program.

Given our existing Benefits Outreach Program and our extensive network and membership, LiveOn NY is uniquely positioned to work with the city and state with the shared goal of reaching each qualified SCRIE tenant to develop a robust public awareness, outreach and enrollment campaign. This will take funding and a strategic plan, and a good comparison is the success of the city's current well-orchestrated Pre-K public awareness campaign.

Further, the lack of a public awareness campaign also has other serious consequences, even for those older adults who do find out about SCRIE and enroll. Many seniors, as seen by data by the DOF Report, access SCRIE when they are in crisis and already paying 40-50% of their income in rent. While having their rent frozen at that level helps, they are still living on the fiscal cliff. Rolling the rent back to the affordability level, which is where their rent would have been frozen if they knew about SCRIE earlier, would alleviate them of being at-risk of eviction, homelessness and would allow them additional money for food, medications and other needs. It would also allow them to remain in rent regulated apartments thereby protecting this valuable affordable housing stock.

Thus, LiveOn NY recommends that a cost benefit analysis be done by DOF, the Independent Budget Office (IBO) or a state agency to examine the effect of reducing low income tenants' rent to the affordability rate for those enrolled on SCRIE, which is one-third of the household's total monthly income.

Affordable Senior Housing with Services

Access to Affordable Senior Housing with Services is a necessity for New York City's 60+ population, which will nearly double from 2000 to 1.84 million by 2030.

The ability of older adults, frequently the anchors to stable communities and families, to remain in their homes is at substantial risk in neighborhoods of all socioeconomic levels across the city. The population of older adults living with financial insecurity is growing. Because income for older adults remains fixed, or worse, declines, many adults live on a fiscal cliff in a city that already has an extreme need for affordable housing options. According to the NYC Center for Economic Opportunity, 1 in 3 New Yorkers over the age of 65 live in poverty and 2 in every 3 people over 70 pay more than 30% of their income in rent. Nearly 100,000 seniors experience extreme rent burden, meaning they pay over 50% of their income in rent.

LiveOn NY's Affordable Senior Housing Coalition is comprised of 25 of the city's leading nonprofit senior housing with services providers, taking a leading role having developed and operating upwards of 20,000 units of low income housing citywide and is working daily to ensure the city and state address this issue through preservation, production and policy.

According to Department of Homeless Services (DHS), there are over 2000 seniors in the New York City shelter system each night. In December 2014, the DHS announced 1000 subsidies for older adults currently in the shelter system through the Living in Communities (LINC IV) program. LiveOn NY applauds this program, which includes vital aftercare services that will be provided to those tenants and looks forward to providing input.

Recommendations: While there is supportive housing dedicated to other specific populations, for example through the NY/NY III Agreement, there is no specific dedicated funding stream for housing with services for older adults to age in place. "Aging in place," which is a philosophy commonly linked to the core mission of the nonprofit senior housing developers, should be incorporated into any new public health policy, and the costs of providing a funding stream for housing with services for the aging population could be offset by the savings in services accessed, many through reduced use of the health care system.

Further, in addition to the senior shelter population, there are thousands of older New Yorkers at serious risk of homelessness. Those include seniors who are doubled up or couch-surfing, severely rent burdened, those who are capable of living independently but are disabled or frail and living in an inaccessible and/or walk-up buildings or homes and many others. City and state services and funding and policies must address this growing population.

LiveOn NY thanks the Senate Task Force on the Delivery of Social Services in New York City for the opportunity to testify on these important issues today and looks forward to working closely with government agencies to make New York a better place to age.

For more information on LiveOn NY, contact Bobbie Sackman, Director of Public Policy at 212-398-6565 x226 or bsackman@liveon-ny.org.



Asian American Federation

New York State Senate Task Force on the Delivery of Social Services in New York City April 16, 2015

Good morning. My name is Jo-Ann Yoo, and I am the executive director of the Asian American Federation (AAF). Established in 1989, the Federation's mission is to raise the influence and well-being of the pan-Asian American community through research, policy advocacy, public awareness and organizational development. We are a pan-Asian non-profit organization representing a network of community service agencies in New York City. Specifically, we have 43 member agencies and work with an additional 15 organizations around the city that operate in the fields of health & human services, education, economic development, civic participation, and social justice.

I would like to thank Senator Avella for inviting us to give testimony on the growing Asian senior population in New York City, and the resources required to meet the needs of this population.

As you know, Asians are the fastest-growing group in the U.S., New York State and City. In New York State, Asians are 6% of the population; in New York City, we are almost 15% of the population.

In New York City, Asians comprise the fastest-growing segment of the senior population. From 2000 to 2013, the Asian senior population grew 80%, faster than all other major racial and ethnic groups in the city. Nearly 124,000 Asian seniors reside throughout the five boroughs.

The needs of Asian seniors are great. Overall, one in four Asian seniors lives in poverty, with poverty rates reaching as high as 35% for Bangladeshi seniors and 30% for Chinese seniors. Language barriers remain high among Asian seniors. A significant portion of the Asian population is limited English proficient (LEP).

In the coming weeks, AAF will be releasing an analysis of the city government funding to social services organizations serving Asian New Yorkers. Of the over 5,100 NYC DFTA contracts totaling almost \$3 billion given out in the past 13 years, Asian nonprofit groups received fewer than 200 contracts totaling \$81 million. In other words, the Asian American share was less than 3% of total contract dollars and less than 4% of the total number of contracts.

A recent check of the State Comptroller's public records showed that no Asian community group has a direct contract with the New York State Office for the Aging (NYSOFA).

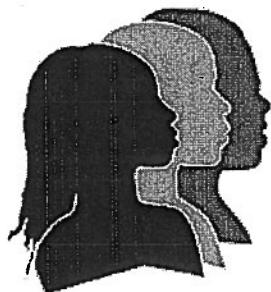
On behalf of our member agencies that serve Asian seniors, we ask that you to consider the following needs as this task force moves forward to address service gaps:

1. **Funding at the state and city levels has not kept up with the growth of the Asian community.** We need champions like Senator Avella to close these funding gaps and help Asian service organizations access funding to support our seniors.
2. **Culturally competent services increase utilization and effectiveness of the services.** Asian seniors have one of the highest suicide rates in the country. While part of the cause is mental illness, researchers have also attributed much of the epidemic to the sense of isolation that Asian seniors experience. Community-based organizations with roots in their neighborhoods are best positioned to getting Asian seniors the help they need. Asian seniors, particularly more recently arrived ones, are less likely to know what services and programs are available to help them acclimate to life in New York City and to address challenging life events when they occur. Our member agencies' language and cultural expertise, as well as their connections to the community, facilitates their ability to reach many of our seniors, who are more likely to utilize services that reflect their ethnic identities and traditional values. Moreover, culturally competent programs are able to take into account and address the cultural and generational barriers that discourage seniors from seeking help, particularly around mental health services.
3. In a city where more than one in ten seniors are Asian, no Asian-led homebound meal provider has a direct contract with the city. In fact, through our working relationships with groups like the AARP we know that food security for our senior population is a growing problem. **We ask the State leadership to support programs that increases food access for seniors.**
4. No major senior housing has been built in the city for many years. While we applaud the Mayor's recent plans to build 10,000 units of senior housing, these plans are not enough. We urge the state to work in tandem with the city **to make senior housing a priority.**
5. South Asian community has one of the fastest growing senior populations in the City. Yet, neither Queens nor Brooklyn has a senior center with regular hours serving South Asian seniors. This means that many South Asian seniors lack a central place that provides social services and programs that meet linguistic, cultural and religious needs. We request the State leadership's help in creating a **South Asian-serving senior center a priority for this year.**
6. We request regular **updates from SOFA** on the contracting process, on resources that are available, etc. We need more dialogue with our state agency leaders about how we can work collaboratively to meet the needs of our seniors, as well as create better access to contracting dollars to meet the growing needs of the Asian senior population.

7. **AAF's own request is that you provide support to conduct research.** The collection of objective baseline data is the first step to creating effective programs, best practice models, needs assessment, and tracking demographics changes of the senior population.

The Asian American Federation appreciates this opportunity to begin conversations with our state leaders and especially value the leadership of Senator Avella in creating a forum for these conversations. Please count on us as an ally in your plans to improve the quality of and accessibility to social services for all our communities.

Thank you!



**COMMUNITY
VOICES HEARD**

fighting for our families, fighting for our communities, fighting for ourselves

www.CVHaction.org

Testimony for State Senate Hearing
on Social Service Delivery in New York City
Thursday, April 16, 2015

Good morning Senator Avella and Senators. I am Ann Valdez leader of Community Voices Heard. Thank you for convening this Special Task Force on New York City Social Services Delivery by the State Senate. Community Voices Heard welcomes the opportunity to comment on the need to transform the social service system to one that focuses on ending poverty rather than criminalizing poverty and blaming the poor. New York City is in the process of making changes to the system run by the Human Resource Administration. The State Senate, Assembly and Governor can help to make changes to support the improvements. Pass an increase in the minimum wage, support increases in funding to affordable housing, rent stabilization and homelessness prevention rent subsidies, pass the Bill to eliminate durational sanctions and the bill to prohibit WEP, and increase funding to support subsidized transitional and permanent jobs.

The current employment plan submitted by HRA is in stark contrast to prior plans which did not take into account the reality of the devastation and pain caused by poverty.

The new HRA Commissioner Mr. Steven Banks has set a new tone in his first year. The Agency's recently approved (December 31, 2014) Employment Plan is not even four months old yet the plan to phase out WEP (Work Experience Program) permits the commitment of resources to a far more effective and lasting solution to a reoccurring problem.

CVH has been fighting to end the unpaid labor of the Work Experience Program since it expanded in the 1990s. WEP is mandated unpaid labor by people receiving public assistance. Almost every city office building, the subway cars and platforms, and the streets are cleaned by people receiving as little as \$92.50 every two weeks on an EBT card wearing a distinguishing color vest or a tag that says "Non-Employee" working next to city and MTA employees who are in a union and receiving a pay check, benefits, earning social security credit, sick days, vacation and treated with dignity. Mayor DeBlasio and Commissioner Banks have committed to phasing out WEP but the sooner this can happen the better.

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Community Voices Heard is proud to have helped support Senator Savino and Assembly Member Wright to introduce Bill A5936A/S3597 To Prohibit Work Experience Programs in New York State. The Senator and Assembly member introduced the Bill in the last session but we are hoping that it will pass this cycle. The Bill passing would make the end of WEP permanent and make it statewide because other counties have 10,000 people working in this unpaid labor.

CVH is glad that HRA is focused on moving people out of poverty rather than just the idea of moving people off of Public Assistance and keeping them off, previously done by denying services or sanctioning people unjustly. Resources now can be focused on permitting the over 60% of people on public assistance who do not have a High School Diploma or Equivalency, to receive real and productive educational and training opportunities with a support system to assist them.

Making use of other work options such as worker cooperatives, entrepreneurial activities, subsidized employment in public and private sectors, and community service further permits individuals to choose pathways and careers that will lead to opportunities that make sense and jobs that last for years and not just months. CVH would like to see a pathway directly from HRA into non-competitive entry level positions in city agencies for people who are work ready and interested in those positions.

Most important the ability to treat people with dignity and respect shows a true concern for people and their families and will encourage people to survive and thrive in a positive nurturing environment as a contributing community member.

Until very recently people were not allowed to complete programs that would benefit them because it would not count toward meeting a performance mark on the Back to Work and We Care program contracts. They were given WEP assignments despite failing health, severe illness and or disabilities. CUNY, CUNY Continuing Education or Employment Opportunity Centers or other insourcing may be better than contracting out to for profit and non-profits through performance based contracts. The Commissioner recognizes these contracts at least need to be revamped, for example incentives should be given for helping people obtain good paying jobs that last a year or more, not just 90 days. Programs that support participants with assistance in overcoming barriers such as housing, childcare, language, education, travel, former incarceration and self-esteem should be rewarded for long term success of two years or better. We must better assess people so that people are not assigned to clean parks and toilets unless that is their choice. People with proven experience in select fields should be given an opportunity to prove themselves and be assigned to jobs that they are capable of doing and be rightly compensated for it if they can do the work. Just like anyone else.

A holistic approach is the answer to the cycle of poverty. Punishing people and dehumanizing them is not an answer, it's an additional problem which brings about feelings of bitterness, hate, frustration, stress, passive aggressiveness and fear. All of these factors take their toll physically and psychologically. Everyone in one way or another receives assistance from the government, so why look down on the most vulnerable, most in need and most displaced and forgotten among us. Why not help people find a safe place to live, a good paying job where they can work hard and improve themselves and have stability, a good education, good health and a real chance to make a positive contribution to society at large.



Public Hearing: Review of the Proposed Changes to HRA's Employment Programs

**The NYS Senate Task Force on the Delivery of Social Services in New York City
Thursday, April 16, 2015 at 11:00 a.m. at 250 – 19th Floor, Broadway, NYC**

Testimony submitted by:

Roxanna Henry, Legal Advocacy Organizer
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Good day, my name is Roxanna Henry, Legal Advocacy Organizer of Welfare Rights Initiative (WRI). WRI is located at Hunter College, City University of New York (CUNY) and organizes students with firsthand experience of poverty through leadership training and legal advocacy to create and defend fair and just policies. On behalf of the alumni, staff and student leaders at WRI, we are pleased to be here and we thank Senator Avela and the Task Force members for this hearing.

WRI values all families including families receiving public assistance. We participated in the focus groups that Human Resources Administration (HRA) held last summer. We are heartened by the plan that the city submitted last year.

When speaking about the plan over the past few months, Commissioner Banks highlighted "improving how HRA interacts with all different types of individuals who come to the agency for help."

In the 20 years that WRI students, staff and supporters have been engaged in the policy-making process we have come to understand that change can take time. WRI and our students have continued a relationship with HRA to ensure that changes happen with ease and speed.

An important feature of past NYC administrations' interactions for our students has been that the HRA process too often arbitrarily adds more stress to crisis situations. We see the city working towards improvements that dramatically reduce these stress points and still there are things that can work better.



Even right now, low-income families face stark choices. Currently, when WRI students go into a job center, they will either get part of the new information re 4 year college and other approved programs, or not. They may be given new HRA forms that reflect some of the allowable activities, or not, and they will not be told about the homework rule. Still, too many are stuck in no-win situations or are given misinformation that compromise honest attempts to improve their life chances.

WRI's experience is that families and individuals come to HRA in crisis: health issues, loss of a family member, and loss of job, housing or other loss. Once the family is stabilized, aiding people's employment prospects is an important next step. We cannot emphasize strongly enough "once the family is stabilized". Stabilized is not a family living in a shelter or a student who has no money for food. New York City's (NYC) best practices show that housing, health and food security for its residents are critical for this city's total ability to thrive and prosper.

Earlier, this year, New York State (NYS) adopted federal regulations by changing **NYS law to allow four-year College** as a countable activity. We thank you, Senator Avela, for helping to lead this important law change. We see the new regulation as a step towards an enlightened social welfare policy in NYS. Having NYC enfold this new law in its plan will enhance the chances of thousands of individual's and family's to move out of poverty through self-determination. Liberal arts degree programs build on student's talents for critical and creative thinking and sharpening skills for applied learning that can be taken with the student wherever they travel on their career journey.

We applaud the expansion of basic education, LEP (Limited English Proficiency) and all the educational programs that allow people to develop and enhance their skills and their lives.

Still there are challenges for inter and intra-agency rules and regulations intersecting with higher education and other federal rules and the impact all have on the individual/family receiving welfare.

WRI students find the following to be challenges to effective and efficient delivery of services:

- Child-care options for children under 4years. For example, college day care is limited to 2.5 year olds.



- TANF and NY State law allows 20 hours for women with children under 3.
- The federal Disabilities Act mandates accommodation to students with disabilities. However, HRA is not clear on counting the additional homework time students need as counting for participation rate as the law allows.
- Students in 4-year colleges are often sent to other campuses to complete WEP regulations and appt.
- WRI recommends a simplified process. The bureaucracy of the school verification process is still tedious. We would love to work with NYS and NYC to design a more efficient procedure. The process would be so much easier on the student, if they did not have to go to 4 or 5 different offices to fill out their forms.
- In addition, the FIA paper work can be simplified: Students should only need their schedule, Enrollment verification and financial aid papers. At CUNY, for example, all these papers can be printed out by student from CUNY website.

HRA's plan for phasing out WEP is a step in the direction of understanding that policy based on shorting human potential does not serve us-NYC families, individuals or communities.

WRI stands ready to work with the HRA/NYS Senate Task Force/Non-profits to help community outreach with new college and education rules. Our trainings over the past 20 years and in collaboration with our colleagues at CUNY Law's Economic Justice Project have successfully kept thousands of students in school and aided others in connecting to education for the first time.

WRI students graduate college and go on to graduate school at a higher rate than CUNY at large. As CUNY research noted 20 years ago, over 90 % of women with children who graduate with college degrees move permanently from poverty and the ripple effects on younger children in the household is stunning. High school graduations dramatically rose as parents pursue college. Yet in NYC for many decades policy stood in their way.

One WRI alumni reflects, "Since the moment I turned 18, the HRA-call in process has placed so many obstacles in my way to prevent me from going to college. Pursuing a college degree is the only way I can improve my financial situation and it is the only



way I can accomplish my goals. Expanding access to benefits for young adults is an excellent idea; however they will still have to choose between their benefits and higher education, as I did.” Data can support education; but values drive policy and programming. With earnest and enlightened implementation, the City’s plan can make this alumni’s experience a thing of the past but it is not yet.

Policies and regulations can support better outcomes, but the way we prioritize our values powers the impact of the services the city provides. WRI’s Student-led social justice movement is strategically based where disenfranchised people have the best opportunity to improve their lives: the nation leading public university, City University of New York (CUNY)

WRI offers our 20 years of expertise and experience with social services, CUNY and students to help implement the good policies that we know work. We envision such a partnership would allow more students to stay in school without jeopardizing the welfare of their families.

We look forward to being invited back to review and report on the dynamic process on which HRA/NYC has embarked and WRI students, staff and alumni are ready to aid in implementation of their plan.

We thank the Task Force and staff for all your service to NY State and its residents.

Appendix B



New York State Senate Hearing
Task Force on the Delivery of Social Services in New York City
Thursday, April 16, 2015

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Introduction

My name is Commissioner Gilbert Taylor and I am the Commissioner of the Department of Homeless Services (DHS). Thank you for the opportunity to submit testimony to the New York State Senate Task Force on the Delivery of Social Services.

New York City is facing pronounced economic inequality because of low wages, the lack of affordable housing, and the increased cost of living. We are truly living a tale of two cities. Today approximately 46-percent of New Yorkers live near poverty and approximately 22-percent live below the poverty line. The reality of this income inequality, combined with the drivers of homelessness such as eviction, domestic violence, and overcrowding, manifests itself in the City's shelter system, which houses approximately 57,000 individuals. At DHS we are committed to reducing homelessness and improving lives for all our clients.

Over the last year, we have made substantial advances in our efforts to combat homelessness. We recognize that we must use every tool at our disposal to keep our clients stably housed or get them out of shelters and into permanent housing. We have expanded both our Homebase Prevention Program and outreach for homeless New Yorkers in the streets and subways, as well as committed significant resources to helping our clients make the journey from shelter to home. We are working diligently to reduce our census and ensure there is sufficient capacity in the shelter system, including revamping our infrastructure to make the best possible use of our resources.

To that end, DHS recently introduced its 2015-2017 Operational Plan, which serves as a roadmap for our agency to effectively and efficiently deliver services to our clients. The Operational Plan encompasses the entirety of the work being done at DHS and delineates five goals: prevention, outreach, shelter, housing permanency, and organizational excellence. The Operational Plan builds upon and refocuses our efforts to our clients. It requires coordination of services across the DHS system of care, use of our existing resources to best serve our clients, improved case management, and identifying long term-sustainable strategies to reduce our census and assist clients to achieve housing self-sufficiency.



Prevention Services

Prevention is the cornerstone of DHS' efforts to combat homelessness. We believe that shelter is a last resort. In collaboration with our partners, we provide comprehensive services that combat the many drivers of homelessness.

Our Homebase Prevention Program is nationally-recognized and proven to be 95-percent effective in helping those who apply for its services remain stably housed and out of shelter. Last year, a \$20 million investment allowed us to increase Homebase's offices from 14 to 23. These are located in the neighborhoods where DHS sees the largest number of shelter entrants. We know Homebase works, which is why we recently launched our largest media campaign yet in order to ensure that the widest audience possible is aware of Homebase and the prevention services it offers. The campaign is targeted to the communities with the most shelter entrants and urges those at risk of homelessness to reach out for assistance, before shelter is the only remaining option.

DHS is also seeking to improve our social services delivery by pursuing a new community based family shelter intake model. The Community-Based Demonstration Project for PATH (Prevention Assistance and Temporary Housing) aims to improve services to families, with the ultimate goal of keeping them stably housed in their communities of origin and making shelter an option of last resort. Instead of using a single point of access for family intake as we do now, we will be opening additional family shelter intake offices – with an emphasis on prevention first- in four of the five boroughs, which will be co-located with HRA and Homebase. Community-based family shelter intake will allow for a more effective diversion model focused on counseling, prevention, and other resources in a community-based context in order to enable families to remain stably housed in their own boroughs and neighborhoods.

In addition to the prevention and diversion efforts being made through Homebase and the new community based family intake model, DHS has also enhanced diversion efforts at the front door of the single adult system. Our partnership with Palladia Homebase provides on-site diversion services and aftercare, which clients will continue to receive if they remain out of shelter and maintain regular contact with the provider for aftercare services. We have been able to rapidly return clients to the community who we otherwise would not have been able to divert.

Street Outreach

In addition to prevention, DHS is committed to serving all unsheltered individuals across the city. This work was especially crucial this past winter, one of the coldest on record. Throughout the city, we deployed teams around the clock to encourage people living on the streets and in subways to move into transitional and permanent housing. We have expanded our street and subway outreach work within the past year, and developed a network of transitional housing specifically to serve this population.

In order to provide an alternative housing option for individuals who are unwilling to enter traditional shelter, DHS added more Safe Haven and stabilization beds to our system this past year. Safe Havens are shelter options for street homeless individuals who do not want to enter traditional shelter. Clients are referred to Safe Havens by outreach teams, who prioritize Safe Haven beds for street homeless individuals who are the most vulnerable and who have been outdoors for the longest period of time. DHS has also increased its



efforts to work collaboratively with community organizations and religious institutions across the City to help expand the reach of this valuable program.

Similar to Safe Havens, DHS also added stabilization beds, which are also a low-threshold shelter option. Outreach providers are able to place clients directly from the streets into these beds and provide on-site services. There are 545 Safe Haven beds and 326 stabilization beds in the DHS system. Street homeless clients also have access to overnight respite beds, which are linked to drop-in centers at houses of worship. These respite beds are usually located in extra spaces at churches or synagogues and are staffed by volunteers who provide dinner and breakfast.

Since last summer, DHS and the MTA have had a \$6 million contract to work jointly to perform outreach services in all 468 subway stations. Outreach teams work in subways 24/7, ensuring that all subway stations and train cars are assessed for homeless activity on a routine basis. Thus far we have been able to successfully place 30-percent of these chronically homeless individuals into shelter, which is a significant increase from the previous year. Our goal is to get as many people as possible off of the streets and subways and into shelter.

Shelter and Social Services

Providing shelter and social services for those in need continues to be DHS' core function and mandate. We provide temporary, emergency, and safe transitional housing to eligible families and all individuals presenting needing shelter.

DHS is working to improve social service delivery in shelter by creating a new model of practice. Using already established methods, the new model will be a four layered approach to providing quality services to all clients in shelter. This model of practice will require going forward that all DHS shelter providers use the following in their work with clients.

1. Consistent and comprehensive documentation in the Client Assistance and Rehousing Enterprise System (CARES)
2. Critical Time Intervention Services.
3. Rapid Rehousing Techniques and Principles
4. Motivational Interviewing Techniques and Best Practices in work with Clients.

CARES (Client Assistance and Rehousing Enterprise System) is an electronic case management system that is used by all DHS providers and direct run shelter staff to document all work that is being done with clients who we serve. We are strengthening case work documentation requirements throughout the system and upgrading CARES itself to keep pace with internal practice refinements. All case management services provided to clients are required to be documented in CARES.

Critical Time Intervention (CTI) is an evidence-informed model of practice used to work with homeless clients. CTI is a means by which customized services can be offered to families and individuals so that they can exit shelter into permanent housing faster. DHS will be using two versions of CTI with clients in shelter and an assessment tool will determine which version is required. A full intensity version of CTI will be delivered to clients who have the most substantial barriers to housing and are more likely to return to shelter



after locating permanent housing. A less intense version of CTI will be made available to all clients who are in temporary emergency shelter.

Principles and best practices of Rapid Rehousing will be incorporated into all of our work with clients in shelter. Now that there are more housing resources available to assist homeless New York City residents exit shelter, we will require that rapid-rehousing efforts be pursued more aggressively for all clients in our shelter system. Rapid re-housing will include identifying a housing resource and will begin as soon as an individual enters shelter.

Motivational Interviewing techniques will be incorporated into our system-wide work. This practice of meeting clients where they are and focusing on collaborative conversations to strengthen motivation and commitment to change is at the center of Motivational Interviewing. It is a person-centered counseling style that is not directive, but instead allows the client to identify his/her own needs to achieve change; in this case permanent housing. This method of delivering services has demonstrated success in helping clients achieve their goals across many systems. As such, it permeates all layers of our new model of practice.

The combination of all four of these elements will strengthen our work system wide and improve outcomes for our clients.

DHS is also creating Permanency Specialist Teams within the agency to work with program and shelter staff to support their work of helping clients to obtain housing independence. These highly trained teams will comprise 30 licensed social workers who will review cases, offer technical assistance to providers and DHS staff, and support agency efforts to create Independent Living Plans for all clients in shelter. The Permanency Specialist Teams will be available to support our agency's after care efforts connecting clients to community-based supports and services to help them maintain housing

Last fall, we established the Safety First team, which is geared at ensuring the safety of children in shelter. The continued support of the Safety First team is an important part of this Administration's vision and efforts to improve shelter conditions and social services. There are approximately 23,000 children in shelter, and their safety is of the utmost importance. It is critically necessary that our agency be attentive to child safety and well-being. The additional 19 Safety First social workers will engage and assess high risk families with children to determine an appropriate plan of action and services when needed. The team will coordinate with DHS Family Services and shelter providers through case conferencing, effective case management, coaching, and interventions to support the family in keeping children safe with their parents and caretakers while in shelter. The Safety First staff will identify necessary services and interventions to assist families in need.

Housing Permanency and Legislative Priorities

In fall 2014, DHS introduced the Living in Communities rental assistance programs, also known as LINC. These are the first significant subsidy programs since Advantage ended in 2011. The LINC rental assistance program helps move individuals and families who need additional assistance from shelter into permanent housing. Our Homebase Program provides initial social services support to all clients who exit shelter with LINC vouchers.



For LINC I families and LINC V single adults, the Human Resources Administration's (HRA) employment vendors will be available to support these clients with after care when they exit shelter. For LINC II families, who have multiple shelter stays, DHS issued a Request for Proposals and awarded four providers with contracts to deliver aftercare services following the Critical Time Intervention model. LINC III families can receive services from HRA's Non-Residential DV Service contracts. For LINC IV, DHS is in discussions with the Department for the Aging (DFTA) to provide aftercare support to seniors, singles, and adult families, through their subcontract providers. In addition, DHS is moving forward with LINC VI, which is targeted to families with children who exit shelter to move in with relatives or friends.

For these programs to prevent and alleviate homelessness to be successful, a significant investment from both the City and State is essential. We appreciate your assistance in obtaining these allocations in the FY'16 budget:

- \$220 million over four years for rental assistance and related homelessness assistance;
- \$15 Million to prevent evictions and alleviate homelessness through a pilot program to increase supplemental housing allowances that have not been raised in over a decade; and
- 3,900 new supportive units for New York City.

However, there is much more that is needed to address the continuing high numbers of children and adults in the shelter system. We are looking forward to continuing to work with our State partners to respond to this urgent problem.

Organizational Excellence

The final goal of our operational plan is to strive towards organizational excellence in all of the work that we do, ensuring that our systems support best practices in order to improve outcomes for our clients. This includes training for DHS and shelter staff, clear and consistent policies and procedures on the various aspects of our work, and development opportunities for all DHS and provider staff.

To ensure effective and efficient social services delivery, we must invest in DHS and provider agency staff by ensuring that we are attentive and responsive to any counter transference and emotional fatigue that may occur. work with clients in shelter and clients threatened with housing instability. Organizational excellence must include strategies to support both our system and our staff who are committed to doing the work of reducing homelessness and improving lives.

Thank you for the opportunity to testify. I look forward to talking with the committee over the coming weeks and months to solicit your input and ideas on how we can improve upon this collaboration. Please feel free to reach out if you have any further questions.



**New York State Senate Task Force on the Delivery of Social Services
in New York City**

April 16, 2015

**Gladys Carrión, Esq.
Commissioner, New York City Administration for Children's Services**

Senate Task Force on the Delivery of Social Services
in New York City
April 16, 2015

The New York City Administration for Children's Services (ACS) thanks Chair Avella and the members of the Senate Task Force on the Delivery of Social Services in New York City for the opportunity to join the dialogue on the current state of the social services delivery system in the City. It is with great pleasure that ACS submits the written testimony below concerning the programs and services we offer to protect children and strengthen families, as well as our agency's plans to enhance the areas where we have perceived additional need.

Overview of ACS

The Administration for Children's Services protects and promotes the safety and well-being of New York City's children, young people, families, and communities by providing child welfare, juvenile justice, and early care and education services.

Child Welfare

ACS' child welfare work is threefold and involves protective, preventive and foster care services. Each year we investigate over 60,000 reports of maltreatment, and we provide preventive services to over 25,000 families so children can remain safely at home. And, when out-of-home placements are necessary, we oversee approximately 11,000 children in foster care. ACS depends on over 2,000 dedicated frontline staff to make difficult decisions that have profound consequences in the lives of children and families.

Juvenile Justice

ACS oversees a continuum of services and programs for youth at every stage of the juvenile justice process. Our Division of Youth & Family Justice promotes public safety and improves the lives of youth, families, and communities by providing child-centered and family-focused services, including therapeutic treatment, safe and secure custodial care, responsive health care, effective re-entry services, and educational opportunities. We, and our contracted partners, provide these services to youth in secure and non-secure detention facilities, non-secure placement residences, and community-based alternative programs.

Early Care and Education

The ACS Division of Early Care and Education (ECE) administers one of the largest publicly-funded childcare systems in the country, serving approximately 100,000 infants, toddlers, preschool, and school-aged children. ACS provides services that enhance child development and assist low-income working families, eligible public assistance recipients, and families that are receiving child welfare services. ACS also provides access to child care by contracting with providers, as well as through vouchers issued to eligible parents, which may be used to purchase care in a variety of settings.

Citywide Partnerships

Children's Cabinet

Mayor Bill de Blasio has made interagency collaboration a priority of his administration. Recognizing that children's safety and well-being is not just the responsibility of one agency the Mayor formed the New York City Children's Cabinet in April 2014, which includes over twenty City agencies, with the goal of promoting ongoing, consistent and meaningful communication

among City agencies to ensure child safety and well-being. In close collaboration with the NYC Department of Health and Mental Hygiene (DOHMH) and Deputy Mayor Richard Buery, ACS outlined a public health approach to child welfare, which includes a wide continuum of prevention activities that extend beyond providing direct services to individual families.

Work with DHS

Families and children experiencing housing instability and homelessness are among the most vulnerable citizens in New York City. Since the beginning of Mayor de Blasio's administration, ACS has, in close collaboration with the NYC Department of Homeless Services (DHS), developed a series of new measures to better understand the needs of child welfare-involved families in shelters and to increase interagency coordination to ensure proper services and supports. Last summer and into the fall, ACS and DHS gathered information on child welfare-involved families residing in the DHS shelter system. We identified that 25% of the families in shelter were actively involved with ACS, and both agencies have begun implementing several new measures for families residing in shelters. DHS is assigning ACS child welfare-involved families to more supportive shelters, and ACS is planning to add two new units at the DHS intake center in the Bronx. Working in tandem with DHS intake staff, these units will conduct safety and risk assessments, provide referrals, and coordinate services to ensure ACS involved families entering shelters receive the services and support they need.

City-Wide Safe Sleep Campaign

Another way that ACS has coordinated with other city agencies is through launching a city-wide safe sleep campaign. In New York City, almost one infant dies each week because of unsafe sleeping practices. Of all the fatalities of children known to our child welfare system, half involved unsafe sleeping conditions. These deaths are preventable. Practices like sharing a bed

with an infant, having objects in the crib, and placing infants on their stomachs can be dangerous. Using a public health approach, ACS has joined the NYC Health and Hospitals Corporation, DHS, DOHMH, community based organizations, the American Academy of Pediatrics and the private sector to launch a coordinated public awareness campaign and community education effort. This will include dedicated community outreach liaisons in each borough who will engage neighborhoods on safe sleep practices as well as a comprehensive media strategy to spread the message.

Response to Commercial Sexual Exploitation of Youth

Young people in the child welfare and runaway & homeless youth systems are particularly vulnerable to commercial sexual exploitation. Since the passage of the New York State Safe Harbour for Exploited Children Act in 2008, ACS has steadily built a child welfare response to such exploitation by training our staff and partner agencies, identifying cases of sexual exploitation, and serving young people through a continuum of services. This continuum services, implemented by ACS, the NYC Department of Youth & Community Development (DYCD) and our contracted providers, includes street outreach, counseling, specialized preventive programs, residential placement options, transitional housing, career development services, as well as programs to reach lesbian, gay, bisexual, transgender and questioning (LGBTQ) youth. To further promote this work, ACS hired a dedicated Director of Child Trafficking Prevention & Policy who consults on specific cases, while advancing system-wide policies, procedures, and training to better serve this population.

Investing in Our Workforce

The work of the Administration for Children’s Services is to keep the children of New York City both safe and well. Every decision we make has enormous consequences for the life of a child. Removing a child from a family can save a life or can result in substantial harm. In order to protect and improve the lives of New York City’s most vulnerable children, young people and families, we must constantly evaluate and upgrade our work to ensure our approaches are most effective.

New Hires

ACS’s efforts to bolster our child welfare practice began early in Mayor de Blasio’s administration and continue through the present. ACS is in the process of hiring 362 new staff, primarily for our Divisions of Child Protective, Preventive, and Foster Care services. This increase in staff further reduces caseloads and enhances supervision. Over the past year, approximately 50% of the new staff hires have come on board. ACS is in the process of creating 23 new Family Services Units, which oversee our highest risk cases, and adding three new units in Emergency Children’s Services, which initiate child protective investigations overnight and during weekends. ACS has also hired 35 new attorney and administrative staff within our Division of Family Court Legal Services to support our legal efforts in family court to promote positive outcomes for vulnerable children and families and to help assess the appropriate level of supervision in high risk cases.

ACS Workforce Institute

Those who support vulnerable New York City children and families have some of the most important jobs in the City. The frontline staff at ACS and at our partner agencies not only

make sure children are safe, but also work to ensure that they can thrive and succeed. It is incumbent upon our agency to make sure these dedicated professionals are constantly strengthened, developed and supported throughout their careers and that they are equipped with the tools and knowledge they need to excel in their work. Therefore, we are establishing an ACS Workforce Institute which will create professional development opportunities for child welfare professionals that are similar to those offered by other helping professions, such as teaching and medicine. Through the institute, every child welfare worker will have meaningful educational opportunities, from the latest innovations in brain science and evidence-based mental health programs, to the most effective family engagement strategies, investigative techniques, evidence-based preventive programs, and community supports. In addition to serving all of our frontline staff, the institute will also support our provider partners, which include more than 2,000 preventive and foster care case workers and supervisors employed by our contracted providers. The Institute will feature a curriculum developed by experts in the child welfare and educational fields and provide a full catalogue of courses with simulated and experiential learning.

Proposed State Legislation

Over the past year, the City has also advanced three legislative bills to strengthen our ability to keep children safe by allowing child protective workers access to critical criminal justice information, enabling ACS to supervise children in the custody of non-respondent parents, and requiring end of supervision hearings in family court.

eJusticeNY

Currently, social service district employees are only able to access past criminal convictions through eJusticeNY during an investigation, and only for persons named in reports

from the Statewide Central Register or who reside in the household with a child suspected of being abused or neglected. Child protective service employees do not currently have access to arrest records, pending convictions and many other types of criminal records that would greatly assist in evaluating the safety of a living situation for a child whose circumstances are under investigation. This legislation would grant access to all criminal records held by the NYS Division of Criminal Justice Services for any adult who lives with or is proposed to live with a child who, as a result of neglect or abuse allegations, is under the jurisdiction of the Family Court. As NYS requires that all investigations be completed within a 60 day timeframe and the allegations being investigated often revolve around a current arrest or criminal allegation, granting access to a more complete criminal history will allow child protective service workers to take a more in depth look at a child's living situation, assess risks, and make better informed decisions regarding the safety of a child with a particular caretaker to ensure the welfare and safety of the child.

Non-respondent Parents

Local social services agencies, such as ACS, are charged with monitoring and ensuring the safety and well-being of all children under their care and supervision. In some instances, judges release children under the supervision of ACS to parents who are not the subject of a child welfare investigation, or “non-respondent” parents. While respondent parents are under the supervision of court orders, current law does not explicitly allow judges to place parents who are not the subject of the child welfare case under the jurisdiction of the court. As a result, local social services agencies have a limited ability to supervise the homes in which children are residing during the course of a child welfare court proceeding. This bill seeks to amend Family

Court Act sections 1017(3) and 1054(a) to allow social services agencies to monitor the child in the home of the non-respondent parent.

End of Supervision Hearings

The end of court-ordered supervision is an important juncture in a child welfare family court case. This bill seeks to amend multiple areas of the Family Court Act, including subdivision (c) of section 1039, subdivision (a) of section 1054, and section 1058, and adds a new subdivision (d) to section 1053, for the purpose of requiring the family court to hold a hearing prior to the expiration of an order of supervision. The proposed amendments will give judges a critical opportunity to hear from all parties before an order of supervision expires about whether a child can remain safely in his or her home and to determine whether the ordered stipulations have been met. The hearing serves several purposes: it provides an opportunity for all the parties to get together to ensure that ending supervision is in the best interests of the child; ensures that all services are in place for a smooth transition prior to the end of the court's jurisdiction; ensures that the outcome of the case is as successful as possible before ending court oversight; and helps prevent repeated maltreatment by ensuring that the issues that brought the family before the court have been resolved. The amendments would also require the child protective agency to submit to the court and to the parties, in advance of the hearing, a report that updates the court on the child's status and circumstances, and details any action contemplated by the agency with respect to the child or the child's custodian.

Public Awareness Campaign

The responsibility to raise healthy, safe, and successful children extends to all New Yorkers. Beginning last fall, the City launched a three-pronged public awareness campaign, in

both English and Spanish, to encourage all New Yorkers to be proactive in playing a positive role in the life of a child-- from reporting child abuse and neglect, to providing resources to overwhelmed parents, to encouraging New Yorkers to lift up a child by mentoring or volunteering.

Closing

We sincerely appreciate the opportunity to contribute to the discussion about the current state of the social services delivery system in New York City. As a city, we are all committed to keeping our children safe, our families strong and our young people on pathways to success. This is a shared responsibility, and we look forward to further cultivating our partnership with the New York State Legislature in carrying out this critical work.



Testimony of
Coalition for the Homeless

on

Challenges to the Effective and Efficient Delivery of Social
Services in New York City

before the
NYS Senate Task Force on the Delivery
of Social Services in New York City
April 16, 2015

submitted by

Shelly Nortz
Deputy Executive Director for Policy

Thank you for inviting us to provide testimony for this important hearing. My name is Shelly Nortz, and for the last 27 years I have worked for the Coalition for the Homeless in Albany to secure State support for programs and policies that prevent and address homelessness and the socio-economic problems that cause homelessness.

Record Homelessness in NYC

More than 116,000 different homeless New Yorkers, including more than 42,000 different children, slept in the New York City municipal shelter system last year, and this constitutes more than 86 percent of the homeless shelter population in all of New York State.

In the last quarter for which comparable statewide data are available (the quarter ending April 2014), there were 31,913 homeless households served in shelters statewide, of which 27,609 (86.5 percent) were sheltered in New York City. More than four out of five (82 percent) of the remaining 4,304 households for that quarter were served in the counties of Albany, Erie, Monroe, Nassau, Onondaga, Orange, Schenectady, Suffolk, Ulster and Westchester. (Due to data limitations the homeless household count is overstated outside New York City because each man and woman is counted as a household, even when a couple or adult family consists of more than one person).

Further, from among the 27 localities reporting *increases* in their homeless shelter populations between 2013 and 2014, 89 percent of the statewide increase was in New York City, and 79 percent of the remaining increase was reported by Schenectady, Suffolk and Onondaga counties. All of the other districts with large homeless populations reported sheltering *fewer* homeless households in this reporting period.

The remaining 23 districts with increased homeless shelter populations reported sheltering an average of five more households in the quarterly reporting period for 2014 compared with their 2013 reports.

In 2012 I testified at the Budget hearing in Albany that we had reached a new record: There were over 41,000 homeless people staying each night in NYC homeless shelters, including 17,000 children. In January 2014, the number exceeded 53,000 individuals and over 22,500 children.

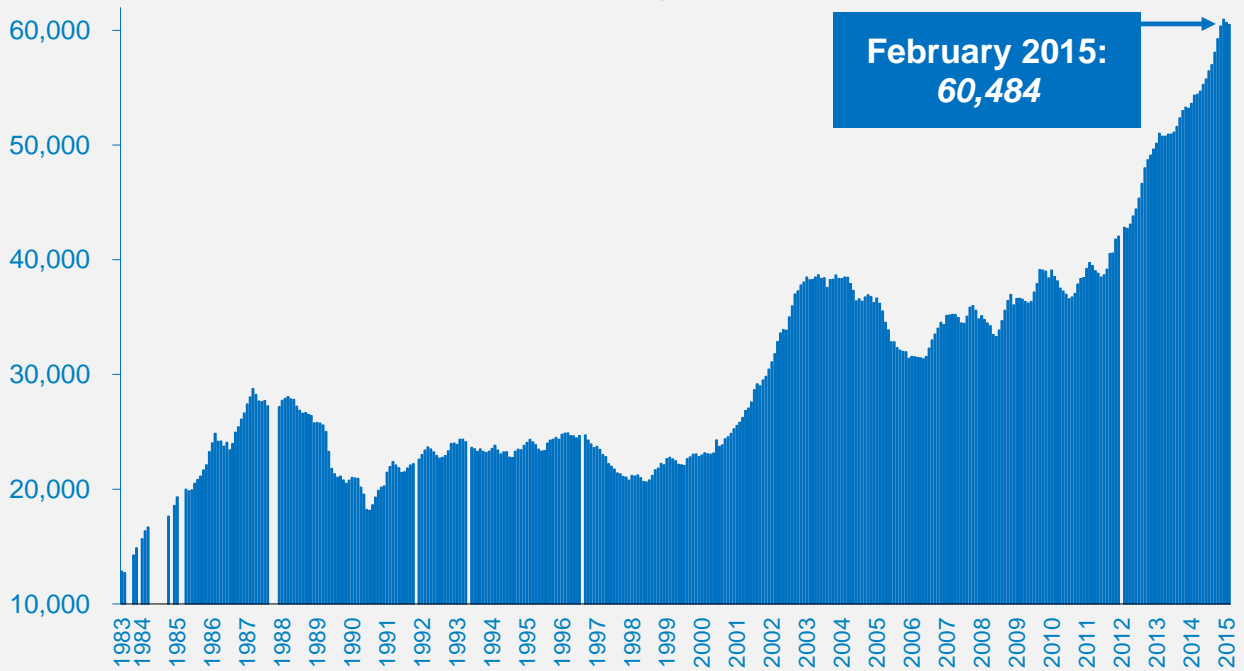
The most recent data show that there are now over 60,000 homeless people staying each night in the shelters, including 25,105 children – 47.5 percent more homeless people staying in NYC shelters each night since 2012. **The number of homeless New Yorkers sleeping each night in municipal shelters has now nearly doubled since the last large-scale City-State effort to build more permanent housing for homeless individuals and families. It is 93 percent higher than it was in May of 2006, the last significant low-water mark when there were 31,350 people staying in shelters each night.**

Thousands more men, women, and youth live on the streets or in makeshift arrangements underneath roadways or in abandoned buildings.

The dire situation in New York City cannot be overstated:

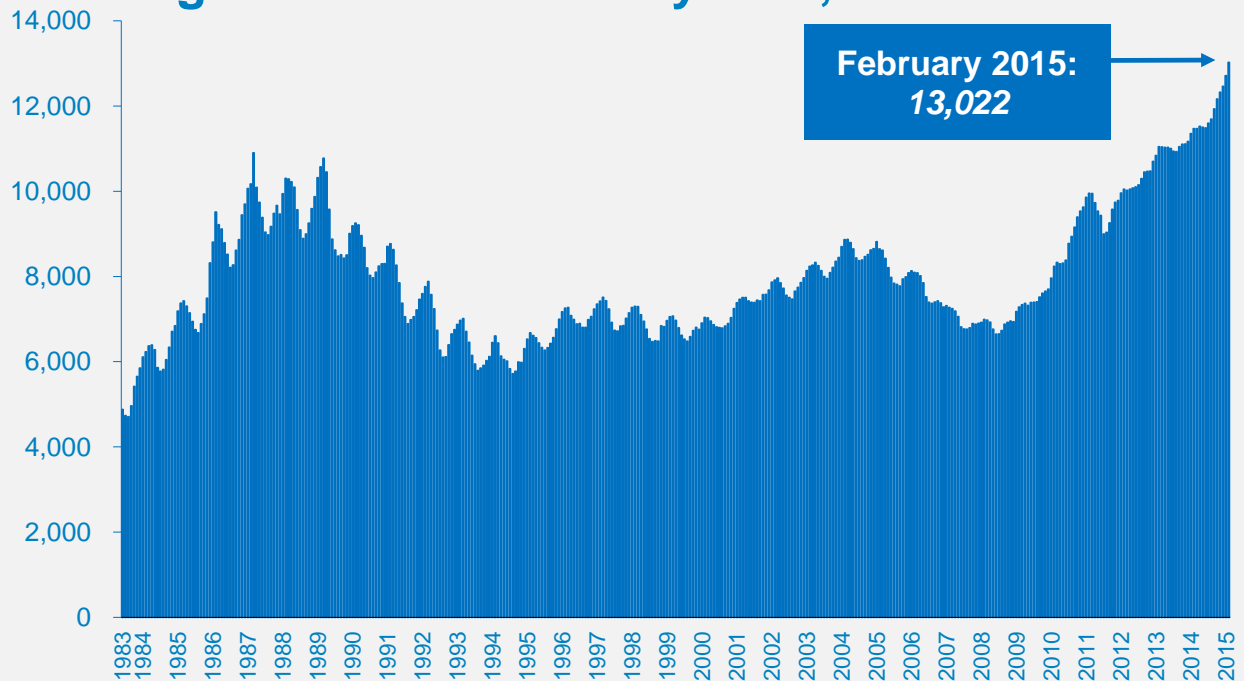
- The number of homeless children in October 2014 was **over 25,000 for the first time**;
- The number of homeless families was **over 14,000 for the first time**; and
- The number of homeless single adults as of February 2015 rose **over 13,000 for the first time**.

Number of Homeless People Each Night in the NYC Shelter System, 1983-2015



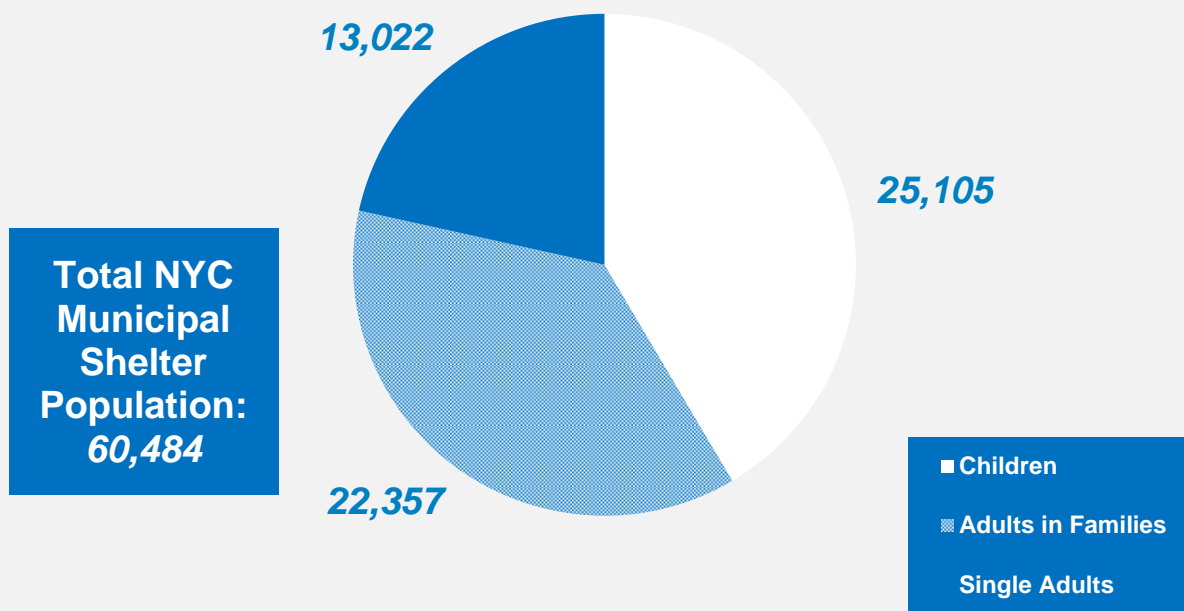
Source: NYC Department of Homeless Services and Human Resources Administration and NYCStat, shelter census reports

Number of Homeless Single Adults Each Night in NYC Shelter System, 1983-2015



Source: NYC Department of Homeless Services and Human Resources Administration and NYCStat, shelter census reports

Number of Homeless People Each Night in the NYC Shelter System, February 2015



Source: City of New York, NYCStat

Stable Permanent Housing is the Key to Solving Homelessness

It comes as no surprise to the members of this task force that the great majority of families and individuals who are homeless require some form of housing assistance in order to secure and retain stable permanent housing.

The status quo is unsustainable, and while some important incremental improvements have been made by the City and State in recent months, including new rental assistance programs, better HRA outreach to prevent evictions, and more placements of homeless families in public housing, these efforts fall short of what is needed to turn the tide.

The Coalition for the Homeless recently joined forces with a dozen other advocacy groups in New York City in the “Homes for Every New Yorker” partnership to publish a new report outlining nine strategies for ending mass homelessness by 2020.

The report, *Ending Homelessness: How Mayor de Blasio and Governor Cuomo Can Do It*, calls on Governor Cuomo and Mayor de Blasio to take the following steps:

1. Set Aside 10% of All New City-Assisted Housing for Homeless New Yorkers
2. Target More NYCHA Public Housing Apartments to People in the Shelter System
3. Renew a City-State Agreement to Create Permanent Supportive Housing
4. Enhance City-State Rent Subsidies to Prevent Homelessness and Rehouse the Homeless
5. Invest in Cost-Saving Programs to Prevent Homelessness

6. Convert So-Called “Cluster-Site” Shelter Back to Permanent Housing
7. Expand Rental Assistance to All Low-Income New Yorkers Living with HIV
8. Raise the Minimum Wage to \$15 Per Hour in New York City
9. Build Housing with Developers Who Use Local Hire Goals and Union Labor

The full report can be found at <http://www.coalitionforthehomeless.org/wp-content/uploads/2015/04/HomesForEveryNYerReport04072015.pdf> and below are excerpts outlining each recommendation.

Set Aside 10% of All New City-Assisted Housing for Homeless New Yorkers

The de Blasio administration should ensure that its affordable housing plan allocates at least 10% of all new housing units to homeless families and individuals. Through this allocation, the City will create and preserve at least 1,000 affordable apartments per year targeted specifically to homeless families. This is in addition to the estimated 1,000 supportive housing apartments per year that would be created under the Mayor’s housing plan. The administration should also ensure that all City-subsidized apartments designated for homeless families, as per their regulatory agreements, are in fact currently housing homeless families, and that as they become vacant, such apartments are provided to homeless New Yorkers.

Target More NYCHA Public Housing Apartments to People in the Shelter System

The de Blasio administration should allocate at least 2,500 NYCHA public housing apartments each year to homeless families and individuals, including families residing in domestic violence shelters, and give at least one third of available Section 8 vouchers each year to homeless families and individuals.

Renew a City-State Agreement to Create Permanent Supportive Housing

Governor Cuomo and Mayor de Blasio should renew a City-State agreement to create and fully fund services for 30,000 units of supportive housing over the next ten years. There have been three City-State “New York/New York Agreements” to create permanent supportive housing – the first in 1990, the second in 1998, and the third in 2005. Combined, all three NY/NY agreements have created more than 14,000 new supportive housing units since 1990.

NY/NY supportive housing agreements have been successful in reducing the use of other public systems and have produced significant cost savings. This renewed “New York/New York Agreement” would do the following:

- Create 30,000 units of permanent supportive housing over ten years for homeless individuals and families living with mental illness and other special needs, in particular homeless individuals residing on the streets and in other public spaces;
- Ensure that half of all new supportive housing units (15,000) are new construction, and half would be scattered-site apartments;
- Continue to prioritize those with long histories of homelessness and illness;
- Provide adequate funding to operate housing and provide support services; and
- Set aside two-thirds of the units (20,000 units) for individuals, with the remaining one-third of units for families (8,700 units) and youth (1,300 units).

Enhance City-State Rent Subsidies to Prevent Homelessness and Rehouse the Homeless

While new City-State rental assistance programs are a significant improvement on the deeply flawed rent subsidies of the Bloomberg era, they can be improved to better protect families and ensure housing stability. The programs also need continued State funding and commitments in order to assist more

homeless families and individuals in the coming years. The City-State rental assistance programs can be enhanced through the following strategies:

- The State and City should increase Family Eviction Prevention Supplement (FEPS) rent levels to reflect federal “Fair Market Rent” levels, like those used in the successful Section 8 voucher program.
- The new Living in Communities (LINC) rental assistance programs must be improved to become more viable and effective. The programs should:
 - Establish a good-cause waiver allowing families to continue to receive rental assistance after five years upon demonstration of ongoing need;
 - Use more realistic work requirements, such as at least 20 hours per week rather than 35 hours per week;
 - Include families, such as those with disabilities or receiving public assistance, who do not have employment income;
 - Allow those whose benefits may have been cut off in error into the program; and
 - Use Fair Market Rent levels as the benchmarks for the program.

Invest in Cost-Saving Programs to Prevent Homelessness

Preventing homelessness is both effective and fiscally smart. The average annual cost of sheltering a homeless family in New York City is more than \$38,000, and the annual cost of sheltering an individual is \$24,000. In comparison, prevention programs like anti-eviction legal services or rent arrears grants cost a fraction of the cost of shelter. To better prevent homelessness, the City should:

- Coordinate prevention services among prevention agencies so that at-risk families and individuals know where to go to get help;
- Create a “right to counsel” for low-income tenants facing eviction in housing court, and enhance funding for anti-eviction legal services to help many more low-income tenants;
- Increase funding for rent arrears, which will ensure that more families can avoid costly emergency shelter and remain in their own homes;
- Negotiate with the State to administer the Family Eviction Prevention Supplement (FEPS) program at neighborhood welfare offices and/or other sites, to make the FEPS benefit more widely available to at-risk families; and
- Seek immediate approval from the State to increase FEPS subsidy rent levels equivalent to those in the Section 8 program, as well as remove restrictions that prevent families from accessing the FEPS subsidies, such as the requirement that the family be sued in housing court, exposing them to inclusion on the "Black Lists" at tenant screening bureaus.

Convert So-Called “Cluster-Site” Shelter Back to Permanent Housing

The City’s use of apartment buildings as costly temporary shelter – a disastrous policy begun under Giuliani but dramatically expanded under Bloomberg – is deeply misguided and illustrates the historic failure of the last administration’s approach to the problem of homelessness. Simply put, under the failed scatter-site/cluster-site shelter model, the City favors costly temporary shelter over cheaper permanent housing, ultimately contributing to rising and all-time record homelessness in New York City. The City should:

- Convert “cluster-site” shelter units back to permanent housing to help significantly reduce the number of homeless families;
- Provide City-State rent subsidies to allow families in “cluster-site” units that meet Section 8 quality standards to secure leases for the very apartments in which they already reside;

- Commit to a definitive public timeline to reduce – and ultimately eliminate – City reliance on “cluster-site” shelter while instituting strong deterrence measures to safeguard against the harassment of tenants in former “cluster-site” buildings by property owners; and
- Utilize aggressive code-enforcement to address code violations and hazardous conditions for tenants currently residing in these units while transitioning from this model.

Expand Rental Assistance to All Low-Income New Yorkers Living with HIV

An estimated 10,000 to 15,000 people living with HIV (including 800 to 1,000 people living with HIV residing in NYC homeless shelters on any given night) remain medically ineligible for housing assistance and benefits provided for persons with symptomatic HIV infection through HASA, and an estimated 2,000 to 6,000 people living with HIV in the balance of the state outside NYC have an unmet housing need.

New York City must expand and update the enhanced rental assistance, transportation and nutrition programs and 30 percent rent cap, and expand the public benefits and services currently available to all persons living with AIDS or clinical symptomatic HIV illness to all income-eligible New Yorkers living with HIV.

The rental assistance rate for the NYS HIV Enhanced Rental Assistance program must be updated and increased from \$480/month for single individuals and \$330 for additional household members. This is insufficient to support even a studio apartment in any part of New York. The rates linked to HIV-specific programs need to be updated to fair market rental rates in localities.

Raise the Minimum Wage to \$15 per Hour in New York City

The Cuomo administration should raise the minimum wage for New York City to \$15 per hour to help reduce poverty and to provide the much-needed relief for working homeless families across the city. By December 31, 2015, the minimum will be \$9 per hour, which is not enough for families to survive on in New York City.

Build Housing with Developers Who Use Local Hire Goals and Union Labor

The administration should work in partnership with organized labor and the building trades to ensure that jobs for construction and building operations workers include decent wages, healthcare, retirement benefits and adequate safety training to make career paths in construction more viable. Additionally, the administration should prevent irresponsible, lawbreaking contractors with records of wage and hour, minimum wage, prevailing wage and safety violations from working on subsidized housing. NYC can both meet our housing needs and help alleviate poverty by providing careers, not just jobs, like those provided by labor unions.

Conclusion

The Coalition for the Homeless believes that implementation of these solutions will help bring an end to homelessness and we urge all lawmakers to work together to help make that happen.

Coalition for the Homeless Background

The Coalition for the Homeless, founded in 1981, is a not-for-profit advocacy and direct service organization that assists more than 3,500 homeless New Yorkers each day – clients who come from nearly every zip code in the five boroughs and beyond. The Coalition advocates for proven, cost-effective solutions to the crisis of modern homelessness, which now continues into its fourth decade. The Coalition also protects the rights of homeless people through litigation concerning the right to

emergency shelter, the right to vote, and life-saving housing and services for homeless people living with mental illness, HIV/AIDS, and other disabilities.

The Coalition operates eleven direct-services programs that offer vital services to homeless, at-risk, and low-income New Yorkers, and demonstrate effective, replicable long-term solutions. These programs include supportive housing for families and individuals living with AIDS, job-training for homeless and formerly-homeless women, rental assistance which provides rent subsidies and support services to help working homeless individuals rent private-market apartments, and permanent housing for formerly-homeless families and individuals. Our summer sleep-away camp and after-school program help hundreds of homeless children each year. The Coalition's mobile soup kitchen distributes 900 nutritious meals each night to street homeless and hungry New Yorkers, and our client advocacy program helps homeless people with disabilities obtain Federal disability benefits and housing. Finally, our Crisis Intervention Department assists more than 1,000 homeless and at-risk households each month with eviction prevention assistance, referrals for shelter and emergency food programs, and assistance with public benefits.

The Coalition also represents homeless men and women as plaintiffs in *Callahan v. Carey* and *Eldredge v. Koch*. When modern homelessness first emerged in the late 1970s, thousands of homeless New Yorkers were forced to fend for themselves on the streets, and many died or suffered terrible injuries. Indeed, public health officials in those days often remarked privately that literally hundreds of homeless men and women were perishing each year on the streets of the city, often from hypothermia and other cold-related causes, although no public record was ever made available.

In response to this crisis, in 1979 founders of the Coalition for the Homeless brought a class action lawsuit in New York State Supreme Court against the City and State called *Callahan v. Carey*, arguing that a constitutional right to shelter exists in New York. In particular, the lawsuit was based on *Article XVII of the New York State Constitution* – an amendment which was enacted in the midst of the Great Depression – which declares that "the aid, care and support of the needy are public concerns and shall be provided by the state and by such of its subdivisions...."

The lawsuit was brought on behalf of all homeless men in New York City. The lead plaintiff in the lawsuit, Robert Callahan, was a homeless man suffering from chronic alcoholism who lived on the streets in the Bowery section of Manhattan.

In December 1979, the New York State Supreme Court ordered the City and State to provide shelter for homeless men in a landmark decision that cited *Article XVII of the New York State Constitution*. And in August 1981, after nearly two years of intensive negotiations between the plaintiffs and the government defendants, *Callahan v. Carey* was settled as a consent decree.

By entering into the decree, the City and State agreed to provide shelter and board to all men who met the need standard for public assistance or who were in need of shelter "by reason of physical, mental, or social dysfunction." (A companion lawsuit, *Eldredge v. Koch*, extended the right to shelter to single women, who are now protected by the consent decree. Separate litigation by the Legal Aid Society has guaranteed similar rights for homeless families.)

Pursuant to the *Callahan* consent decree, which also guarantees basic standards for shelters serving homeless men and women, the Coalition serves as the court-appointed monitor of municipal shelters for homeless adults in New York City.

The decree established a right to shelter for all men and women in need of shelter from the elements in New York City, and it has been responsible for saving the lives of countless homeless New Yorkers who might otherwise have died on the streets of the city.

Nevertheless, one tragic footnote to the history of the litigation is the fate of Robert Callahan himself. The autumn before the consent decree bearing his name was signed, Mr. Callahan died on Manhattan's Lower East Side while sleeping rough on the streets. Thus, Robert Callahan was one of the last homeless victims of an era with no legal right to shelter.

In addition to litigation and vital services, the Coalition for the Homeless has engaged in a broad spectrum of advocacy and public education work to deliver vital and far-reaching victories, including:

- Community Mental Health Reinvestment Act
- Laws guaranteeing a right to educational services for homeless children and youth
- SRO Support Services program
- Foster Care preventive and reunification rent subsidies
- "Year of the Homeless" social services programs that brought \$20 million annually in new homeless housing and mobile food, shelter repair, housing subsidies, and mental health services (largely to the outer boroughs)
- New York/New York II and III agreements
- Emergency Homeless Needs program
- Client Advocacy Program
- Disability Rent Increase Exemption program
- Timothy's Law
- Ombudsman services for Medicaid Managed Care enrollees beginning in 2014 (ICAN)
- Addition of more than \$29 million to the final 2015 State budget for new and expanded homeless housing and services
- Homelessness Prevention Pilot Program
- Federal Stewart B. McKinney Homeless Assistance Act
- Federal Mental Health Parity and Addiction Equity Act
- Local laws relating to shelter and other homelessness and housing policies in New York City

Senator Tony Avella
38-50 Bell Boulevard Suite C
Bayside, NY 11361
United States

April 20, 2015

Dear Senator Avella,

Elmhurst United would like to thank you for hosting this much needed forum to effectively and efficiently improve delivery of social services in the City of New York. Like Picture the Homeless, we too are appalled and outraged at the astronomical amount of money being spent by the Department of Homeless Services (DHS) to line the pockets of landlords and non-profit homeless shelter operators. As you are aware, tier 2 homeless shelters converted from hotels like the PanAm, are illegal as they do not have kitchens and refrigerators; so DHS should have not conducted business with these landlords in the first place. Secondly, paying \$3,700 a month for a hotel size room is atrocious as the average rent for a 2 bedroom apartment in the "Better boroughs" is \$1,480. Worst yet, these so-call homeless shelters are hurting the very people they are supposed to serve. With little or no supportive services, and neglects by DHS in enforcing the laws, non-profit operators are subjecting homeless families to inhumane living conditions and condemning them a life of perpetual poverty. This is the harsh reality and the "Dark side" of the homeless shelter system that DHS do not want to the public to see or know. That is why the **Senate Task Force on the Delivery of Social Services in New York City** is such a blessing to the homeless shelter residents, the poor, the vulnerable and all taxpayers in this country.

Finally! There are elected officials who are willing to listen to us, and work with us to fix the problem.

Last year, 1 baby and 3 toddlers died while residing in DHS homeless shelters:

- On April 30, 2014. Juan Sanchez,4, is believed to have swallowed a lethal dose of rat poison, which he may have confused as food. Migdalia Morales, mother of Juan Sanchez, upset about living in a squalid and rat

infested apartment assigned to her by the City Department of Homeless Services, blames the Department for her son's death.

<http://www.nydailynews.com/new-york/bronx/bronx-boy-ate-rat-poison-lived-squalor-mom-probed-6-times-article-1.1774880>

- On October 18, 2014. A 3 year old residing in a 16-unit transitional in Bushwick operated by Housing Bridge was allegedly killed by her stepfather, Kelsey Smith who had 15 prior arrests. Her 5 year old brother who came to her defense was also allegedly beaten.

<http://newyork.cbslocal.com/2014/10/20/police-suspect-in-brooklyn-girls-beating-death-had-prior-arrests/>

- A week later, on October 23, another 4 year old girl was allegedly beaten to death by her mother at the Briarwood Family Residence on 134th Street in Queens. The autopsy report from the Medical Examiner Office revealed the girl may have been malnourished.

http://www.qchron.com/editions/queenswide/girl-killed-at-briarwood-shelter-mother-charged/article_12468eef-c42b-51dd-ac55-35c012c4c98c.html

- On Feb. 19, 2014, a 3-month-old girl, residing at Hamilton Family Residence in upper Manhattan, was rushed from the shelter to a Harlem Hospital in cardiac arrest. Officials said it appeared the child was sleeping in a car seat, but it's not clear why or how that could have proved fatal. Officials would not reveal details about the 22-year-old mother. (3-month-old babies should not be sleeping in car seats, they should be in cribs, which should have been provided by DHS, as they are too young to turn their heads) <http://www.nydailynews.com/new-york/exclusive-manhattan-shelter-reportedly-cited-issues-article-1.2141533>

Since DHS do not conduct criminal background checks on their residents, sex offenders and convicted felons often slip-by unnoticed by the system. Four days ago, Rodney Stover aka the bar-bathroom rapist was arraigned in a Manhattan court. He is accused of raping a woman in a Manhattan bar on April 11, 2015. Mr. Rover resides at the Bellevue Men's Shelter operated by DHS, his housemates includes a group of 13 convicted pedophiles, rapists and other sex offenders who are free to wander the

neighborhood unchecked. <http://nypost.com/2015/04/17/alleged-bar-rapist-lived-in-shelter-with-13-sex-offenders-one-block-from-a-school/>

Homeless shelters overseen by DHS simply do not work in lowering the homeless population, they are simply “Mega-warehouses” designed to enrich the landlords and non-profit operators. Since these homeless shelters are not safe for both the people inside and the people in close proximity to it, why does the City of New York continue to pursue this expensive and obviously harmful to the homeless, their children and the public as a solution to solve homelessness? How many more children must die or women raped before the City wakes-up and address these issues? We urge the task force to develop a plan where DHS and the non-profit operators are required to provide transparency and accountability. Senseless deaths of children must stop.

It is very unfortunate that the commissioner of DHS did not attend the forum as his inputs are vitally needed.

Yours truly,
Member of Elmhurst United.



TESTIMONY TO THE SENATE TASK FORCE ON DELIVERY OF SOCIAL SERVICES IN NYC

Nora Niedzielski-Eichner
Executive Director
New York State Afterschool Network
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Our thanks to Senator Avella for the opportunity to provide testimony to the Senate Task Force on Delivery of Social Services in NYC. One area of concern for the effective and efficient delivery of social services in New York City is the School-Age Child Care (SACC) regulations. New York State Afterschool Network (NYSAN) has been compiling feedback from the afterschool field on the SACC regulations since 2009, and has submitted this feedback to the Office of Children and Family Services (OCFS) through various letters, regulatory comments, and meetings. We were disappointed that the new regulations, set to take effect on June 1, 2015, did not sufficiently address some of the major concerns of the field.

All youth deserve access to high-quality afterschool programs, and SACC regulations should not be a barrier to high-quality programming. Of particular concern are the regulations around school buildings, which, as written into the final regulations, will continue to impede effective implementation of programming in many school buildings across the state. A school building is overseen by the school district that owns it. School buildings that are deemed safe for students from 8am to 3pm should be deemed safe for students from 3pm to 6pm.

SACC regulations are sometimes inconsistent with school building requirements. Afterschool programs operating in school buildings are then penalized for issues outside of their control – issues that do not seem to pose any additional threat to students after the school day ends. While NYSAN agrees that the activities of afterschool and school-age child care programs should be different from those of the school day, there is little evidence that students in school-run afterschool programs that do not operate under a SACC registration are at risk for injury because the buildings only comply with school building regulations.

Afterschool providers should not be held accountable for making changes to buildings they have no authority to make. Putting this expectation on program directors of community-based organizations to facilitate changes in school buildings has proven ineffective in most cases while generating substantial friction with principals and teachers in many. In some cases, efforts to address these regulations have resulted in loss of space for the afterschool program because teachers no longer want the program in their classrooms due to changes that must be made to meet the SACC regulations. Time that program staff members spend working to try to get schools to update buildings is time that they are not spending on developing high-quality programming and staff training.

In 2013, we learned of a large school district that had assumed operation of all afterschool programs located at schools in their district specifically to avoid having to go through the SACC registration process. These programs are then no longer subject to requirements for staff-to-student ratios, appropriate activities, incorporating physical fitness, and other best-practices required by the SACC regulations. Regulations should discourage neither the creation of much needed programs nor the leadership of community-based organizations.

In New York City, an afterschool program was limited to serving a smaller number of youth due to the number of toilets and sinks in the school. The differing requirement for SACC regulations versus the



school building requirements resulted in fewer students having access to the high-quality afterschool programming they need. Another program was cited three times for peeling paint on a divider in a room that was out of the reach of students. It took over six months to get the issue resolved and cost the program hours of staff time to repeatedly ask the school to make the update. That staff time could have gone to supporting high-quality programming. No youth were harmed due to the chipped paint while waiting for the school to make the repair.

To effectively and efficiently deliver social services in New York City and the rest-of-state, afterschool programs should be allowed to operate within school buildings without having to make modifications to the space. They would then be able to cultivate positive relationships with school staff, focus additional energy on running high-quality programs, and serve as many students as they have the capacity to work with. Given that school buildings are already overseen for their safety for children by a publicly elected school board, the superintendent, and the principal's office, we think it is more important that the focus be on the other health, safety, and programmatic requirements in the SACC regulations.

Appendix C

THE SENATE
STATE OF NEW YORK



TONY AVELLA
SENATOR, 11TH DISTRICT

ASSISTANT CONFERENCE LEADER
FOR POLICY & ADMINISTRATION OF THE
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May 19, 2015

Hon. Sharon Devine
Executive Deputy Commissioner
Office of Temporary and Disability Assistance
40 N. Pearl Street
Albany, NY 12243

FAX & MAIL

Dear Executive Deputy Commissioner Devine:

We are writing to ask that you implement the measures recommended by various stakeholders to strengthen the City's ability to better address the ever-growing issue of homelessness.

On April 16, 2015, the Senate Task Force on the Delivery of Social Services in New York City held its first Public Forum to discuss the current state of the social service delivery system in New York City. Through this Forum, many stakeholders were brought together, including the Human Resources Administration as well as various advocacy organizations. As anticipated, the issue of homelessness was extensively discussed during the Forum.

The homeless population in New York City has grown from approximately 32,000 in 2005 to more than 60,300 in 2014, a twofold increase. Furthermore, children account for more than 40% of the current homeless population in New York City. These daunting statistics compel us to take a more active role in reducing homelessness. The foremost important line of defense against homelessness is prevention – averting eviction by providing timely and adequate assistance to individuals and families in need.

However, the currently available shelter allowance and subsidies for permanent housing are not sufficient enough to keep our low-income families out of homelessness.

RECOMMENDATION I: RAISE THE SHELTER ALLOWANCE FOR PUBLIC ASSISTANCE RECIPIENTS

The median rent in New York City increased from \$839 to \$1000 between 2000 and 2012. In addition, the City lost more than 400,000 apartments priced under \$1,000, exacerbating the already severe housing affordability crisis for low-income families.

Unfortunately, the shelter allowance has not been increased since 2003 and the current shelter allowance does not bear any reasonable relation to the cost of housing in New York City. The maximum shelter allowance for a family of two that includes a minor child, is set at \$283, an amount that is not even enough to rent a single room in any of five boroughs in New York City, much less an apartment.

As a result of the inadequate shelter allowances, thousands of families have become displaced from their own homes and forced into homeless shelter systems. Not only do they lose a place of living, the families and their children also experience significant amount of disruption and instability in their daily lives as a result of homelessness.

In order to provide effective homeless prevention assistance, we strongly believe that it is critical to increase the shelter allowance to a level that is adequate to pay for housing in New York City.

For this reason, we recommend that the Office of Temporary and Disability Assistance (OTDA) re-establish the shelter allowance to 50% of the Fair Market Rent (FMR) in the local area. This would allow establishing the maximum shelter allowance at approximately \$745 for a family of three, as opposed to the current amount of \$400 per month. While this change is still significantly below the FMR, we believe that it is an impactful step in the right direction aimed at addressing homelessness crisis. The allowance could then be gradually increased incrementally as it was done with the cash assistance grant during the period between 2009 and 2012.

RECOMMENDATION II: INCREASE FAMILY EVICTION PREVENTION SUPPLEMENT (FEPS) SUBSIDY AMOUNT

Increasing the shelter allowance will help prevent homelessness for many families. However, in order to truly address the affordability gap, subsidies provided through the Family Eviction Prevention Supplement (FEPS) program must be raised as well.

FEPS program provides arrears assistance and ongoing rental subsidy for families with at least one minor child and an open public assistance case. While FEPS subsidy was meant to supplement the shelter allowance, the combination of the two subsidies fail to bring the total shelter grant anywhere near the current FMR in New York City. Unfortunately, FEPS subsidies, similar to the shelter allowance, have not been increased since 2003.

According to the U.S. Department of Housing and Urban Development, the current fair market rent for a one-bedroom apartment is \$1,249. However, the maximum shelter grant, including shelter allowance and FEPS, that a family of two can obtain is only \$750. In addition, if the household has income or a family member is sanctioned, the total shelter grant becomes further reduced, pushing the family toward eviction proceedings for non-payment. In fact, according to the Human Resources Administration (HRA), approximately 9.7 percent of sanctioned public assistance recipients applied for homeless shelter to meet their housing needs last year.

We believe that the FEPS subsidy should be increased to address the affordability gap and to prevent homelessness by providing effective means of supplementing the insufficient shelter allowance. More specifically, OTDA should allow HRA flexibility to provide additional shelter supplements up to the FMR to help families avoid becoming homeless.

RECOMMENDATION III: EXPAND HOMELESS PREVENTION SHELTER SUPPLEMENTS TO MEET THE NEEDS OF DOMESTIC VIOLENCE SURVIVORS AND OTHERS NOT CURRENTLY ELIGIBLE FOR FEPS

Currently, in order to be eligible for FEPS, families must be facing an eviction case in housing court for nonpayment of rent or have been evicted for nonpayment in the last year. Under this rule, families must be sued before they can even be considered for FEPS subsidy.

We believe that FEPS should be made available to families at risk of eviction before they are sued in housing court. This would allow many families to not only avert costly and stressful court proceedings, but also avoid disruptions in jobs and other important aspects of their lives.

In addition, the “tenant of record” rule and the “lawsuit requirement” rule often have the unintended consequences of trapping domestic violence survivors in abusive relationships and shelters. Abusers frequently refuse to put leases in the names of the DV/IPV survivors. The often-heard threat for survivors is that if they leave, they will be homeless and destitute. Sadly, the tenant of record rule and lawsuit requirement rule often make the abusers’ threats come true. For this reason, we strongly believe that OTDA needs to eliminate the requirement that families must be sued for eviction to permit survivors of DV/IPV to seek a homelessness prevention subsidy rather than staying with their abusers or even entering shelter.

In addition, we believe that FEPS rule can be expanded to prevent homelessness for families with aging children. For instance, a household would become immediately ineligible for FEPS when their minor dependent child ages out or leaves the household to go to school or begins to receive federal disability benefits instead of public assistance. An abrupt termination of FEPS can throw the family into housing crisis, arrears and push them further towards housing court proceedings.

For this reason, we urge that a grace period be implemented for families with children aging out or household members losing public assistance. In the alternative, we recommend that new eligibility categories be created to allow the participation of families with SSI-recipient member children and adults only and allow participation of families that include children up to the age of 21 years old to be qualifying child for purposes of the subsidy.


RECOMMENDATION IV: SIMPLIFY AND EXPEDITE APPLICATION PROCESS FOR ONE-TIME EMERGENCY ASSISTANCE (“ONE SHOT DEALS”) TO PREVENT EVICTIONS.

Applicants for one-time rent arrears grants are currently required to attend numerous appointments and interviews and then wait for unduly long periods for the processing and approval of their grants and then for the issuance of the arrears checks.

Applicants frequently have to re-apply as a result of these delays as applications automatically expire after 30 days, potentially resulting in evictions and homelessness. In order to address the unnecessary delays and risk of eviction, we strongly believe that appointments should be streamlined and should also be scheduled outside of working hours so that working tenants do not have to choose between retaining their homes and retaining their jobs.

Given this information, we would appreciate your reviewing our recommendations and sharing your thoughts with us. We would also welcome the opportunity to meet with you to further discuss these recommendations.

Sincerely,



Senator Tony Avella
Chair
Task Force on the Delivery of Social Services in New York City
11th Senatorial District



Senator Martin J. Golden
Member
Task Force on the Delivery of Social Services in New York City
22nd Senatorial District