



**Andrew M. Cuomo
Governor**

**Testimony
of
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**Before the
Legislative Fiscal Committees' Joint Budget Hearing
State Fiscal Year 2013-14 Executive Budget
Human Services**

**Tuesday, February 5, 2013
1:00pm**

Good afternoon Chairman Farrell and Chairman DeFrancisco, members of the fiscal committees, and the Chairs of the Social Services Committees – Assembly Member Titus and Senator Smith. Thank you for the opportunity to appear before you this afternoon to discuss the State Fiscal Year 2013-14 Executive Budget as it relates to the Office of Temporary and Disability Assistance (OTDA).

Governor Cuomo's Executive Budget reflects his continued commitment to reinventing State government to perform more efficiently and effectively. You heard the Governor say in his budget message on January 22 that "this is about providing services for people. It's about the citizens." The Executive Budget submitted by the Governor for State Fiscal Year 2013-14 will support OTDA's core mission to maintain a safety net for New York's most vulnerable households.

Addressing the issue of food insecurity is a priority of the Governor. In December 2012, nearly 3.2 million people in 1.7 million households in New York State received over \$485 million in Federal Supplemental Nutrition Assistance Program (SNAP) benefits.

As the national economic recovery continues, the SNAP program is providing vital support to more and more families. From December 2011 to December 2012 alone, we saw an increase of over 100,000 people receiving SNAP assistance throughout the state. It is important that we maximize these available Federal resources to help New Yorkers in need. To that end, to assist households that may be eligible for SNAP benefits but are not yet receiving them, the Executive Budget recommends continuation of approximately \$3 million in funds for the Nutrition Outreach and Education Program (NOEP).

This program supports the work of community-based organizations across the State to connect low-income New Yorkers with SNAP benefits and other resources to stretch their household budgets and feed their families. In 2012, the program received additional State funds to support an expansion of existing efforts in six counties and new outreach efforts in an additional 16 counties. From July through September 2012, over 14,000 pre-screenings were performed under the Nutrition Outreach and Education Program contract with 5,939 households approved for SNAP, equating to over \$20 million in annual SNAP benefits.

OTDA is currently developing a SNAP Processing Pilot Project that will test the feasibility of handling certain SNAP case processing functions at the State level, rather than the local social services district level, with the goal of driving efficiencies and facilitating client participation in the program.

The *myBenefits* web portal has become an important pre-screening tool to help households determine their potential eligibility for an array of public benefits programs and work supports for low-income working families, including public assistance, the Home Energy Assistance Program, Medicaid, Family Health Plus, and the Earned Income Tax Credit. *MyBenefits* is currently accessible in six languages, with functionality in two additional languages to be implemented by mid-February. In addition to pre-screening for these programs, households can now file their applications for SNAP benefits on-line through *myBenefits*.

State-supported food banks and food pantries in New York State received over 30 million requests for assistance and served over 190 million meals from 2010 to 2011. In New York City,

nearly 80 percent of food pantries and soup kitchens reported an increase in visitors from July 2011 to July 2012, with many unable to keep up with demand. In 2011, \$1 million in Temporary Assistance for Needy Families (TANF) funds was made available to support regional food banks, which in turn supply food pantries and soup kitchens. The State Fiscal Year 2013-14 Executive Budget doubles that amount to \$2 million for food banks, to supplement funding provided by the State Department of Health through the Hunger Prevention and Nutrition Assistance Program.

The provision of SNAP benefits became especially important during the relief efforts in the wake of Hurricane Sandy. OTDA partnered with the U.S. Department of Agriculture to provide an unprecedented amount of food assistance and to ease administrative requirements for New Yorkers in the Downstate region and New York City neighborhoods that were devastated by the storm. We were able to secure waivers that allowed SNAP benefits to be used to purchase hot and prepared foods, to extend certification periods for SNAP and temporary assistance cases in declared disaster areas and to provide replacement benefits for food lost as a result of the superstorm.

Federal TANF funding is vital for the support of programs that are core to OTDA's mission. Once again, OTDA has qualified for Federal TANF contingency funds, and New York State anticipates the receipt of approximately \$215 million in contingency funds for Federal Fiscal Year 2013, in addition to the \$2.44 billion annual TANF block grant allocation. The State Fiscal Year 2013-14 Executive Budget continues support for the Flexible Fund for Family Services (FFFS) at the SFY 2012-13 Enacted Budget amount of \$964 million and maintains funding for the low-income-child care subsidy program at the current year level.

The Executive Budget includes a \$25 million TANF appropriation to maintain funding for the Summer Youth Employment Program. This is an important initiative for low-income youth who derive immediate and long-term benefits from the positive work experience. With \$25 million available in the summer of 2012, the program was able to provide jobs for over 17,000 low-income youth.

The SFY 2013-14 Executive Budget increases the base homeless services appropriation to \$28.68 million. This will allow OTDA to continue the streamlined homeless services programs implemented in SFY 2011-12, distributing the funding to community-based not-for-profit agencies through a competitive procurement process. OTDA's New York State Supportive Housing Program (NYSSHP) provides essential supportive services to ensure housing stability to tenants of permanent supportive housing programs, while the Solutions to End Homelessness Program (STEHP) provides case management and assistance, including eviction prevention services, to those at risk of homelessness.

As part of efforts to streamline government and improve efficiency, the Executive Budget proposes to transfer the Homeless Housing Assistance Program (HHAP) from OTDA to Homes and Community Renewal (HCR), the agency with primary responsibility for, and expertise in, capital construction and asset management. HCR administers an array of capital housing development programs. Transferring HHAP, a \$30 million program for the development of homeless housing units, to HCR will create a more streamlined process for project sponsors, further encouraging supportive housing development and creating a more efficient and timely process. HCR and OTDA staff will work closely together on service components of HHAP

projects, with OTDA providing input regarding project applications and program administration. For the upcoming year, the HHAP program is funded in HCR at the \$30 million base level. The five-year Capital Plan includes a total increase of \$20 million for HHAP.

A key component of OTDA's commitment to families and children is the child support enforcement program. In 2012, over \$1.8 billion in child support was collected on behalf of custodial parents and their children, a nearly \$14 million increase from 2011. The reliability of this income allows many public assistance cases to close, while other households may avoid the need for cash public assistance benefits entirely due to child support payments consistently collected on their behalf.

OTDA is moving forward with the design and development phases required to implement the takeover of administration of the Supplemental Security Income (SSI) State Supplementation Program from the Federal Social Security Administration authorized in the 2012-13 Enacted Budget. Currently, the State pays the Federal Government \$11.12 per individual benefit issuance. By administering this program directly, we are projected to save the State \$90 million per year when the takeover is implemented. I am pleased to report that we are on track to meet the goal of full implementation in October 2014.

Governor Cuomo has proposed a plan to maintain programs and services for the State's low-income residents while remaining committed to fiscal responsibility and governmental efficiency. We look forward to working with you to accomplish these goals in the coming year. Thank you for the opportunity to testify today. I welcome your comments and questions.