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**Testimony of United Neighborhood Houses
Before the Joint Legislative Fiscal Committees of the
New York State Legislature**

Human Services Budget Hearing for the Fiscal Year 2014-2015 New York State Budget

Honorable John A. DeFrancisco, Chair, Senate Finance Committee
Honorable Herman D. Farrell, Jr, Chair, Assembly Ways & Means Committee

Honorable Simcha Felder, Chair, Senate Committee on Children & Families
Honorable Donna Lupardo, Chair Assembly Committee on Children & Families

Senate Committee on Social Services
Honorable Michele Titus, Chair, Assembly Committee on Social Services

Senate Committee on Aging
Honorable Joan Millman, Chair, Assembly Committee on Aging

Honorable Greg Ball, Chair, Senate Committee on Veterans, Homeland Security and Military Affairs
Honorable Michael Benedetto, Chair, Assembly Committee on Veterans Affairs

Presented by Kevin Douglas, Policy Analyst, United Neighborhood Houses

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, 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 comprises one of the largest human service systems in New York City, with 38 agencies employing 10,000 people and working at more than 400 sites to provide high quality services and activities to half million New Yorkers each year. UNH supports its members through policy development, advocacy and capacity-building activities.

Settlement House Initiative

New York City's settlement houses serve over 500,000 New Yorkers each year and are experts in braiding together funding from disparate sources to provide seamless services to their communities. Perhaps one of the most unique qualities of settlement houses is their deep and abiding connection to the neighborhoods they serve. What this means is that while all settlement houses provide a range of services from birth to old age, every settlement provides slightly different services depending on the particular needs of their neighborhood. In some communities this might mean more English language classes and in others, supports for homebound older adults.

The challenge arises when funding streams do not provide the flexibility to meet emerging or unique needs. The New York State Settlement House Initiative, administered by the Office of Children and Families (OCFS), has for years provided flexible resources to settlement houses that allow them to create seamless and comprehensive services. For instance, in one community, a settlement house used the funds to engage disconnected youth in employment services, in another, treatment and counseling for sexually abused children under the age of five were provided, and in another, a volunteer director was hired to oversee over 600 volunteers providing support to low income children and older adults, English language learners, and mentally ill women in homeless shelters.

Although modest, last year the initiative was funded at just \$1.45 million statewide, the Settlement House Initiative serves as the "glue" that holds together programs as a time when other local, state, federal and private resources have diminished. In 2009 OCFS released a \$7 million Request for Applications for the program, and wound up funding 46 programs across the state, though primarily in New York City, including programs such as: Henry Street Settlement, Center for Family Life in Sunset Park, Southeast Bronx Neighborhood Centers, Northern Manhattan Improvement Corporation, and Shorefront YM-YWHA of Brighton-Manhattan Beach, as well as organizations in other regions such as the Syracuse Model Neighborhood Facility, the Baden Street Settlement of Rochester, and the Trinity Institution-Homer Perkins Center here in Albany.

Since FY 2010-2011, funding for this initiative has decreased from \$3.5 million in new dollars and re-appropriations, to just \$1.45 million last year. Whereas programs used to receive awards ranging from \$75,000 to \$160,000 per year, most recently awards have ranged from just \$24,000 to \$52,000, resulting in decreased neighborhood services.

In order to restore and protect these unique services, UNH requests the legislature fund the Settlement House Initiative at \$3.5 million. There are few investments that offer more “bang for the buck” in terms of meeting the needs of vulnerable New Yorkers.

After School and Universal Pre-Kindergarten

In his budget address, Governor Cuomo pointed out that investments in after-school make a real difference.¹ We agree and are excited to see the momentum for after-school statewide. We are concerned however, that the Governor’s plan to expand after-school does not invest any funds for this expansion in FY2014-2015 and instead utilizes funds expected to materialize in out years from gaming revenue. After-school’s momentum for expanded after-school has been especially powerful in New York City where parents and providers have organized and where Mayor Bill de Blasio made support for Pre-Kindergarten and After-School the centerpiece of his successful campaign for Mayor.

New York City now has a plan to move forward through a targeted tax increase on New York City residents earning more than \$500,000 per year, establishing a dedicated funding stream to support full-day, high quality Pre-Kindergarten programs for every child in New York City and make a slot in an after-school program available for every middle school-aged child in New York City.

Under the New York City plan, the tax rate for individuals and households with incomes over \$500,000 per year will increase from 3.876% to 4.41%. This tax is only levied on New York City residents and would not impact taxpayers in other regions of the State. As this is a marginal tax rate, it only taxes income over \$500,000. If an individual earns \$500,001 and has no deductions, they will only be taxed at the higher rate on the \$1.00. Business Insider estimates that an individual with \$700,000 in income who claims an average number of exemptions and deductions would pay \$897 more per year and that an individual with income of \$10 million with average deductions and exemptions would pay \$50,730 more. This plan will fund

Public enthusiasm for New York City’s plan is overwhelming. 74% of New York City residents support the plan. Moreover, the plan has broad public support throughout the State: 63% of voters statewide, 55% of suburban voters and 64% of upstate voters all support New York City’s plan. UNH believes New York City should have the power to make the investments New Yorkers are calling for in order to provide a high quality early education and after-school program for New York’s children.

¹ Transcript: Governor Cuomo’s 2014-2015 Budget Address. <http://www.governor.ny.gov/press/01222014-cuomo-budget-transcript>

Child Care

The recent report of the Assembly workgroup on child care found that the child care system is in crisis. Last year in New York City, former Mayor Bloomberg proposed a budget that cut 47,000 children from child care and after-school programs. It was only through funds from the City Council that services for these children and their families were saved at the last minute. Across the state, the picture is unfortunately grimmer. More than one third of counties have lowered eligibility levels for child care subsidies due to increased demand and funding failing to keep pace.

OCFS estimates that 600,000 children are eligible for child care in New York State, and yet only 22% are receiving services, with many children on waiting lists. The State should move to ensure that every eligible child has access to child care subsidies. We propose an initial investment of \$182 million which will expand or preserve subsidies for approximately 25,000 children.

Summer Youth Employment Program

For over 40 years the Summer Youth Employment Program (SYEP) has provided the critical ‘first job’ for hundreds of thousands of New Yorkers. Designed to expose youth to the world of work and encourage the consideration of related educational opportunities, SYEP is a highly efficient and proven model popular with youth, administrators and the community worksites that benefit from having youth participants.

SYEP provides a safe environment where youth can develop soft skills: learning the importance of punctuality, appropriate attire, communication and teamwork, without the fear of a mistake costing them their job. The benefit of working as a youth extends beyond their initial skill development; youth who work during their high years obtain higher weekly wages, and earn more per year 10-15 years after leaving high school². In addition, a 2012 study by the New York University Institute for Education and Social Policy found that for youth at educational risk— those with poor attendance records— saw increased rates of attendance, and increased rates of taking and passing New York State Regents exams, in the school year following their participation in SYEP³.

Despite the numerous benefits of SYEP, demand has continued to outstrip program slots, with over 100,000 youth being turned away from the program in New York City each year due to a lack of funding. This coming summer we are concerned that without additional state investment even fewer youth will secure jobs

² Bureau of Labor Statistics, U.S. Department of Labor, *The Editor's Desk*, “Youth working in high school more likely to be employed in future”; <http://www.bls.gov/opub/ted/2000/jul/wk5/art02.htm>

³ NYU Steinhardt Institute for Education and Social Policy. “More than a Paycheck? The Impact of Summer Youth Employment on Student’s Educational Engagement and Success”; http://steinhardt.nyu.edu/scmsAdmin/media/users/spa2/SYEP_Policy_Brief_02_12_June_2012.pdf

due to the recent increase in the minimum wage. As SYEP is a minimum wage program, any change to the wage directly impacts the cost to administer the program. While UNH strongly supported the raise from \$7.25/hour to \$8.00/hour (\$9.00/hour over time), and would in fact encourage the State to go even further to support working families, we also urge the State to make the needed investment in SYEP to retain job levels.

In recognition of this increased cost Governor Cuomo proposed an increase in SYEP this year from \$25 million to \$27.5 million, and while we appreciate this initial step, it unfortunately falls short of what is required to maintain level job participation in New York City and around the State. At the Governor's proposed level, we will see approximately 2,750 fewer New York City youth able to participate in the program this summer, returning SYEP to near record-lows of jobs available to youth — just over 33,000.

While in most years we request that the State invest additional dollars in SYEP to increase the number of youth that are able to experience its life-long benefits, this year we are urging the legislature to simply help preserve the jobs we have now- approximately 36,000 in New York City. It is also important to note that as a statewide program, youth job losses will not be limited to New York City alone, but to all regions currently utilizing SYEP to host local employment programs.

Homelessness Prevention

We are thrilled that Governor Cuomo proposed new investments in affordable housing in the Executive Budget including increasing the Homeless Housing Assistance Program and the Housing Trust Fund. This was also the first year since its creation that the Homeless Housing Prevention Services Block Grant has been kept whole in the Executive Budget.

A key part of the Homeless Housing Prevention Service Block Grant is the Solutions to End Homeless Program (STEHP) which supports several crucial anti-homelessness funding streams that UNH member agencies and other community based organizations utilize to ensure that New Yorkers can stay in their homes and neighborhoods can remain stable and vibrant. These include FEPS Preparation Assistance, Homelessness Intervention Program and the Supplemental Homelessness Intervention Program. The legislature has long been an ally of these programs and we thank you for your work to restore them in the least several years.

We believe that these programs have won your consistent support because they are cost effective. They prevent the need for more expensive shelter placements and help strengthen families and communities by providing stability to individuals and families. However, there are some populations that do not have access to these services. In particular, single adults—most often seniors— are only supported by the Supplemental Homelessness Intervention Program, one of the smallest funding streams within STEHP.

UNH recommends a 10% (\$1.5 m) increase for STEHP programs. This increase will allow OTDA to expand services to meet the needs of currently underserved populations.

Services for Older Adults

The Governor's budget includes continued support for a range of programs that have help older adults thrive in their communities. Among these allocations, UNH commends the Governor's inclusion of \$200,000 for food stamp (SNAP) outreach and enrollment in the base Wellness In Nutrition (WIN) funding, and strongly encourages continued and increased support for this purpose. With approximately 500,000 older New Yorkers receiving this benefit, just half of all those eligible,⁴ there is much targeted outreach and education work that remains to be done.

The Governor's budget, however, does not address the increasing need for community supports for seniors. With 7,000 seniors around the state on waiting lists for services funded by Community Services for the Elderly (CSE), Expanded In-Home Services for the Elderly (EISEP), and Wellness in Nutrition (WIN), these allocations must be increased to meet the growing need. The transfer of a combined \$14.7 million to these programs from the eliminated cost-of-living adjustment leaves these vital programs flat-funded, failing to be responsive to the reality of a graying New York.

In a field that lacks the capacity to meet the needs of the current population, stagnant funding is unacceptable. The CSE program, which allows the flexible provision of the best service mix for each locality, is funded at \$20.3 million in the proposed budget. To serve all of the seniors currently waiting to receive services at their local offices for the aging, UNH stresses the need for the increase of \$26 million that is being championed by the leading senior advocates around the state.

Additionally, in order to accommodate the larger service population that would result from the increased funds, NY Connects must be increased by \$10 million over the proposed \$3.35 million. New York State's approval to participate in the Balancing Incentive Program provides a substantial resource with which the state can increase its non-institutional supports for older adults, allowing more of them to age in place. Of the \$598.7 million in federal funds made available through this program, NY Connects can easily be funded to accommodate the need created by additional funding for CSE.

Finally, in the SFY 2013-2014 enacted budget, Lifespan was provided with \$200,000 to fund elder abuse and outreach, which it has been using to provide information and services for seniors experiencing physical and emotional abuse, neglect, or financial exploitation. This allocation is not included in the Governor's budget at a time when 76 out of every 1,000 older New Yorkers are estimated to experience some form of abuse.⁵ This

⁴ Hunger Solutions New York, *Adult Nutrition Programs*, 2012

⁵ DFTA at al, *Under the Radar: New York State Elder Abuse Prevalence Study*, May 2011

high prevalence is more than twice the incidence of documented abuse cases—a discrepancy in reporting that can only be addressed through increased outreach and education. UNH urges the Assembly and the Senate to restore the funding to Lifespan to provide expert assistance to vulnerable seniors.

Cost of Living Adjustment

Finally, UNH would note that the Governor’s decision to again eliminate the statutory scheduled Cost of Living Adjustments (COLA) to human service providers strains an already thin safety net for New York’s vulnerable New Yorkers. Non-profit providers have not received a COLA for five consecutive years; amounting to a nearly 10% reduction to their budgets. UNH urges the legislature to restore a 2% COLA in order to stabilize the sector and permit non-profits to provide quality, comprehensive services.

Thank you for the opportunity to testify. We welcome any questions and look forward to continue working with the Assembly and Senate to build a budget that reflects the needs of all New Yorkers.

