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**Testimony before the
Joint Legislative Budget Committee
Senate Finance and Assembly Ways and Means**

**Human Services
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**Legislative Office Building
Albany, New York**

Introduction

Good afternoon Senator Krueger, Assembly member Weinstein, and members of the Committee. I am Beth Finkel, and I am the State Director for AARP New York. AARP is a social mission organization with 2.6 million members in New York State. I would like to submit the following testimony regarding the Human Services portion of the Executive Budget, and other critical budget items impacting older New Yorkers and their families.

First, I would like to highlight the enormous positive impact that older New Yorkers have on the state's economy, what AARP refers to as the "Longevity Economy." The Longevity Economy is the sum of all economic activity that is supported by the consumer spending of households headed by someone age 50 or older—both in New York, as well as spending on exports from New York to other states and Washington, DC. This includes the direct, indirect and ripple effects from the spending of those employed either directly or indirectly. I have attached a brief of the study that AARP conducted with Oxford Economics that provides data sources and more detailed information on the following points I am going to discuss.

In New York State, people over 50 represent 35 percent of the state's population. However, they contribute to the economy in a positive, outsized proportion to their share of the population. The total economic contribution of people over 50 – **the Longevity Economy - accounted for 50% of New York's GDP, equaling a staggering \$704.4 billion. This supported 55% of New York's jobs (6,638,000), 51% of labor income (\$456.6 billion), and 47% of state and local taxes (\$75.2 billion).**

The \$704.4 billion impact of the Longevity Economy was driven by \$391.1 billion in consumer spending by age 50-plus households in New York, or 56% of total comparable consumer spending. The categories where Longevity Economy spending accounted for the largest share of total consumer spending were health care (66%), utilities (56%), and entertainment (56%).

People over 50 also make a significant contribution to New York's workforce, with 67% of people 50-64 employed. Overall, people over 50 represent 34% of New York's workforce. Among employed people, 13% of those 50-64 are self-employed entrepreneurs, compared with 9% of those 25-49.

Clearly the 50-plus in our state are having a great economic impact. These individuals may also be engaging in caregiving activities for older relatives, as well as caring for their own children. We need to make investments in this population in a way that can ease some of the burdens they face when trying to care for an elderly parent or spouse. This investment would go a long way in their lives.

Caregiving – Help For Middle Class New York Families

Family caregivers, who provide unpaid services to aging loved ones, are the backbone of the long-term care system. According to State Office for Aging (SOFA), there are approximately 3 million family caregivers in New York who provide more than 2.6 billion hours of care to loved ones each year. The annual economic value of this unpaid care is \$32 billion.

Family support is a key factor in determining an older person's ability to remain in his or her home and community and out of taxpayer-funded institutional care settings

such as nursing homes. However, the care provided by family members comes at a cost, both to the caregiver and to their families, and as our population ages there are fewer caregivers to care for more frail elderly.

A 2016 survey conducted by Siena College shows that the majority of New York State Generation Xers and Baby Boomers would prefer to receive long-term care services at home rather than in a long-term care facility. It is clear from “Countdown: New York’s Vanishing Middle Class” that middle class New Yorkers face a looming crisis. They are ill-prepared to pay for long term care services and may require Medicaid-funded nursing homes or home care. This current situation is indicative of the need for public policy changes and funding that will help people age and be cared for at home.

The situation is especially dire in communities of color, as reported in the “Disrupting Disparities” campaign AARP New York is conducting with the Hispanic Federation, Asian American Federation, NAACP of New York and New York Urban League, which has included research, community and opinion leader forums, and reports. Nationally, African American/Blacks, Hispanic/Latinos and Asian American/Pacific Islanders are going to nursing homes in increasing numbers, while the number of Whites going to nursing homes decreased, suggesting unequal access to home and community-based services (HCBS)¹.

¹ https://18672-presscdn-pagely.netdna-ssl.com/wp-content/uploads/2018/01/AARP_DisparitiesPaperSummary_Booklet_FINAL.pdf

There are thousands of individuals statewide seeking non-Medicaid home- and community-based services through programs such as the Expanded In-home Services for the Elderly Program (EISEP) and Community Services for the Elderly (CSE), which provide services such as transportation, adult day care, home delivered meals, and respite. But thousands of families are languishing on waiting lists. Many counties do not keep lists, and many New Yorkers who are eligible to receive these services are not even aware of them.

The Governor's FY 2019-2020 Executive Budget recognized that additional resources are necessary to provide for the growing need for home- and community-based services. The Executive Budget proposal adds a \$15 million investment to the Expanded In Home Services for the Elderly Program (EISEP), which is an historic increase by this Governor for these programs and services to help older New Yorkers age in place and provide their family caregivers with much-needed respite.

AARP asks that the Legislature accept this budget addition and increase it to a total of \$25 million for non-Medicaid home- and community- based services to ensure that all older adults who need these vital services are able to access them.

Housing

AARP strongly supports the Governor's proposal to make it illegal for landlords to discriminate against potential tenants based on the lawful source of income that tenants use when paying rent. Currently, individuals aged 50+ are among the thousands of New

Yorkers being discriminated against because they use non-wage income, such as Social Security, to pay for their housing. Protections against this discrimination would allow aging individuals to choose appropriate housing instead of forcing these individuals into costly institutions.

Over 576,000 low-income New York families rely on federal rental assistance to pay for their housing.² Of these families receiving rental assistance, almost 40% use Housing Choice Vouchers (HCVs) to cover rental expenses.³ These vouchers require families to be responsible for finding suitable housing where the owner agrees to rent under the program.⁴ Discrimination emerges as landlords have the ability to turn down these families due to the income utilized when paying rent. This discrimination restricts housing choice, concentrates poverty, and stifles mobility. Disproportionately and adversely impacted are African American communities, individuals with disabilities, and households headed by females or individuals 62 years of age or older. These groups typically rely heavily on HCVs.⁵

The success rate of HCV users in finding a decent home is significantly higher where local or state law protects against discrimination based on source of income. This bill aims to include "source of income" as a protected class. This would prohibit landlords from discriminating against individuals who use non-wage income or funds from federal, state or local governmental entities to pay for all or part of their housing. The types of

² https://drive.google.com/file/d/1xtUuyH8YzbaIB_LLMZSgtkO9VGkp8KZR/view

³ https://drive.google.com/file/d/1xtUuyH8YzbaIB_LLMZSgtkO9VGkp8KZR/view

⁴ https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/about/fact_sheet

⁵ <http://journals.sagepub.com/doi/pdf/10.1177/0885412216670603>

income that are protected include child support, alimony, foster care subsidies, income derived from Social Security, and any form of public or housing assistance.

Current law does not protect renters from “source of income” discrimination. It is now more important than ever to ensure that consistent, statewide discrimination protections are in place as our population continues to age and rely on programs such as the Housing Choice Voucher. Enacting source of income protections would promote true housing choice for New York's lowest income residents and those aged 50+.

In addition AARP is in strong support of the Governor's proposal that places limits on security deposits not to exceed two months' rent, including the first month's rent.

Kinship Care

Kinship care refers to grandparents, other relatives, and family friends who are raising children. More than 200,000 children live in kinship families, but fewer than 3,700 are in foster care, despite the similar causes for care.

The New York State Kinship Navigator program has noted that the heroin/opioid crisis is forcing more children into the arms of relatives and that Kinship care has become one of the state's most valuable child welfare resources, and is a vital part of providing safe and stable homes for children impacted by the opioid epidemic.

Currently, the 22 OCFS-funded kinship care programs cover 22 counties, with the Navigator covering the remaining 40. The local programs and the Kinship Navigator are vital to the local kinship communities, enabling new kinship families to care for children, especially those whose parents have succumbed to drug/opioid abuse.

The Governor's proposed FY2019-20 budget only provides \$338,750 for local kinship programs and \$220,500 for the navigator program. Such a low level of funding would greatly hamper the ability of these programs to carry out their missions.

AARP requests that the legislature add \$1.9 million, as it has done in the last three budget cycles, to the kinship care programs in order to maintain the progress the state has made in in kinship care services, as well as adding \$100,000 to the Kinship Navigator program so it can continue to provide services to counties not covered by the existing OFCS kinship programs.

Senior Financial Exploitation

Unfortunately, many older adults fall victim to financial exploitation when unscrupulous individuals misuse a vulnerable person's wealth and assets for their own personal gain. This can result in older adults losing their often limited income, and with that, their ability to pay for necessities such as food, rent and health care costs.

Financial exploitation of older adults is a growing problem in New York State and across the country. According to a 2016 study by the New York State Office of Children and Family Services (OCFS), approximately five million older adults are exploited every year nationwide. In New York State, the number of reported cases of financial exploitation increased by more than 35% between 2010 and 2014.

We also know that financial exploitation is widely underreported. A Lifespan study estimates that 260,000 older New Yorkers fall victim every year, and for every one

case that is brought to the authorities, approximately 23 cases go undetected. The OCFS Bureau of Adult Services estimates that elder financial exploitation in New York costs a total of \$1.5 billion dollars, including financial damage both to victims and to the state.

We are pleased that the Governor maintained \$500,000 in funding for the Enhanced Multidisciplinary Teams (EMDTs). It is our understanding that this funding will be used to draw down \$2 million in Federal funding through the Office of Victim Services to maintain and expand the EMDT program.

AARP recommends that the legislature accept the funding for the EMDTs and add \$200,000 for Lifespan of Greater Rochester, which provides much-needed services for vulnerable adults through their regional elder abuse intervention programs.

Additional Budget Requests

In addition to the health- and human services-related initiatives outlined in this testimony, AARP requests that the legislature address other priorities aimed at making New York State and its hundreds of towns, villages and cities more age-friendly; disrupting disparities in communities of color when it comes to health, community, and economic security; and providing older New Yorkers and their families the tools they need to remain active, contributing residents of the empire state. Specifically, we urge the legislature to:

- Accept the Governor's proposal of \$4 million to administer the Secure Choice Savings Program to allow more New Yorkers access to retirement security;

- Allocate \$1 million in state funding to establish the Office of the Independent Utility Consumer Advocate to fully represent ratepayers in matters affecting the reliability and affordability of essential utility services in New York State;
- Add \$20 million in the enacted budget to continue vital housing counseling and legal services programs that assist older New York homeowners with foreclosure and mortgage-related fraud;
- Accept the Governor's language to extend and expand the school zone speed camera program in New York City and work to make our streets safer for people of all ages;
- Create a family caregiver tax credit to help family caregivers cope with the financial toll of caring for their loved ones.
- Support the Governor's private pay model for allowing individuals to purchase services through the State Office for the Aging (SOFA) if their income is up to 400% above the Federal poverty line.
- Support the Governor's call to strengthen rent laws and end vacancy decontrol to prevent erosion of affordable housing in New York.

Conclusion

Thank you again for allowing AARP to submit testimony on behalf of our 2.6 million New York State members and their families regarding the Human Services Budget in New York State. The priorities I have outlined will enhance the quality of life for all New Yorkers as we age and help create a climate in which all people can live with dignity and purpose, fulfilling their goals and dreams right here in the Empire State.