

JOINT BUDGET HEARING
OF THE
ASSEMBLY WAYS AND MEANS
COMMITTEE
AND THE
SENATE FINANCE COMMITTEE
ON THE
HUMAN SERVICES
BUDGET
FOR FISCAL YEAR 2014-2015

Held in Hearing Room B
Legislative Office Building
Albany, NY 12248

1:00 P.M.
February 4, 2014

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A P P E A R A N C E S:

ASSEMBLYMAN HERMAN D. FARRELL, JR., Chairman,
New York State Assembly Ways and Means Committee

SENATOR JOHN A. DEFRANCISCO, Chairman, New York
State Senate Finance Committee

ASSEMBLYMAN ROBERT OAKS, Ranking Member, New
York State Assembly Ways and Means Committee

SENATOR LIZ KRUEGER, Ranking Member, New York
State Senate Finance Committee

ASSEMBLYWOMAN DONNA LUPARDO, Chair, New York
State Assembly Children and Families Committee

ASSEMBLYWOMAN JOAN MILLMAN, Chair, New York
State Assembly Committee on Aging

ASSEMBLYWOMAN MICHELE TITUS, Chair, New York
State Assembly Social Services Committee

SENATOR SIMCHA FELDER, Chair, New York State Senate
Committee on Children and Families

SENATOR CATHERINE YOUNG, Chair, New York State
Senate Committee on Housing, Construction and Community
Development

ASSEMBLYMAN CLIFFORD CROUCH

ASSEMBLYWOMAN ELLEN JAFFEE

ASSEMBLYMAN ANDREW GOODELL

ASSEMBLYMAN CARL HEASTIE

ASSEMBLYMAN RAYMOND WALTER

ASSEMBLYMAN JEFFRION AUBRY

ASSEMBLYWOMAN DIDI BARRETT

SENATOR TIMOTHY KENNEDY

SENATOR MALCOLM SMITH

SENATOR DANIEL SQUADRON

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SENATOR DIANE SAVINO

SENATOR VELMANETTE MONTGOMERY

SENATOR PATRICK GALLIVAN

ALSO APPEARING:

SHEILA POOLE, Acting Commissioner, New York State
Office of Children and Family Services

KRISTIN PROUD, Commissioner, New York State Office of
Temporary and Disability Assistance

CORINDA CROSSDALE, Acting Director, New York State
Office for the Aging

SHEILA HARRIGAN, Executive Director, New York Public
Welfare Association

STACY OSBORNE, Chairperson, New York State Children's
Alliance

JAMES PURCELL, CEO, Council of Family Child Caring
Agencies

MARIE DOLFI, LCSW, Advocacy Chairperson, NYS Citizens
Coalition for Children

SHELLY NORTZ, Deputy Executive Director for Policy,
Coalition for the Homeless

KEVIN DOUGLAS, Policy Analyst, United Neighborhood
Houses

JOHN GREBERT, Executive Director, NYS Chief of Police
Association, Fight Crime Invest in Kids

MELISSA BLOW, Board Member, Prevent Child Abuse New
York

SUSAN ANTOS, Senior Attorney, Empire Justice Center

MACLAIN BERHAUPT, State Advocacy Director, Supportive
Housing Network of New York

JONATHAN LANG, Dir. Governmental Projects, Empire State
Pride Agenda

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JESSICA KLOS SHAPIRO, Public Policy Communication
Coordinator, Early Care and Learning Council

GABRIELLE HOROWITZ-PRISCO, Director of the Juvenile
Justice Program, The Correctional Association of New York

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CHAIRMAN HERMAN D. FARRELL, JR.: Good afternoon. This afternoon we begin the seventh of a series of hearings conducted by the Joint Fiscal Committees of the Legislature regarding the Governor's proposed budget for Fiscal Year 2014-2015. The hearings are conducted pursuant to Article 7, Section 3 of the Constitution, and Article 2, Section 31 and 32-A of the Legislative Law.

Today, the Assembly Ways and Means Committee and the Senate Finance Committee will hear testimony concerning the budget proposal for Human Services. I will now introduce members from the Assembly and Senator DeFrancisco, Chair of the Senate Finance Committee, will introduce members from the Senate. We have been joined by Assemblywoman Lupardo and Assemblymen Oaks.

ASSEMBLYMAN ROBERT OAKS: Yes, and --

CHAIRMAN FARRELL: Excuse me. And Assemblywoman Joan Millman.

Yes, Mr. Oaks.

ASSEMBLYMAN OAKS: Yes. And we've also been joined by Assemblyman Cliff Crouch.

CHAIRMAN JOHN A. DEFRANCISCO: And here on the Senate side is the Ranking Member of the Finance Committee, Liz Krueger; Simcha Felder, the Chairman of Child and Family Services; and Tim Kennedy.

CHAIRMAN FARRELL: We've been joined also

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with Ellen Jaffee.

I also want to, before introducing the first witness, I would like to remind all of the witnesses testifying today to keep your statement within your allotted time limit so that everyone can afford the opportunity to speak.

And the first witness will be Sheila Poole, Acting --
I'm sorry, Senator.

CHAIRMAN DEFRANCISCO: "Acting".

No, go ahead.

CHAIRMAN FARRELL: Sheila Poole, Acting
Commissioner, New York State Office of Children and Family
Services.

CHAIRMAN DEFRANCISCO: And we've been
joined by Senator Malcolm Smith, who was in the room before, I just
didn't see him.

CHAIRMAN FARRELL: Thank you.

Good afternoon.

ACTING COMMISSIONER SHEILA POOLE:

Good afternoon.

Chairman DeFrancisco, Chairman Farrell, Children
and Families Committee Chairs Senator Felder and Assemblymember
Lupardo, and distinguished members of the Senate and Assembly
Fiscal and Children and Families Committees, my name is Sheila
Poole and I'm the Acting Commissioner of the New York State Office
of Children and Family Services.

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This year's Executive Budget furthers the Governor's commitment to a balanced, fiscally responsible budget based on fulfilling our agency's core mission.

The Governor's budget proposal recommends \$635.1 million for the continuation of uncapped, open-ended support, which is the centerpiece of financing for our child welfare service system. This will provide 62 percent State reimbursement, net of Federal funding, to support child protective, child preventive, aftercare, independent living, and adoption services. This critical investment supports local departments of social services and provides funding for our child welfare partners in not-for-profit agencies throughout the State.

The proposed budget includes \$436 million in Foster Care Block Grant funding, which includes funding for kinship programs. Local districts will continue to have the ability to reinvest unused funds in the next Fiscal Year. These savings can be used to support locally-designed child welfare initiatives and strengthen preventive services to better serve high-needs children who can benefit from independent living or aftercare services.

This year's budget continues to provide \$76.2 million for detention services that support at-risk or alleged PINS, Persons In Need of Supervision, juvenile delinquents and juvenile offenders. In addition, as he has done for the past three years, Governor Cuomo recommends an investment of \$8.4 million to support the Supervision and Treatment Services for Juveniles, otherwise known as STSJP

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Program, which supports cost-effective, community-based alternatives for low- and medium-risk youth. These supports are consistent with the State's continued focus on diverting youth from out-of-home placement pursuant to an approved detention risk assessment instrument.

In order to support the continued rollout of the Close to Home initiative for New York City's limited-secure youth, the Executive Budget provides \$41.4 million in State funding, an increase of \$5.1 million.

OCFS takes very seriously its directive to provide for the educational needs and aspirations of youth in our juvenile justice facilities. In addition to working with the State Education Department to become a Registered School, we are pleased that the Executive Budget proposal expands the authority of OCFS to contract with BOCES for services to further improve the educational outcomes for our youth. Governor Cuomo's Administration has advanced a juvenile justice reform agenda that has resulted in substantial savings to taxpayers while maintaining safety and demonstrating better outcomes for youth in facilities across New York State. We've continued to right-size youth facilities and decrease excess capacity, eliminating more than 758 beds since State Fiscal Year 2010-11, saving taxpayers nearly \$50 million.

In his State of the State address, Governor Cuomo announced the creation of the Commission on Youth, Public Safety and Justice to make recommendations on how best to raise the age of

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juvenile jurisdiction, improve outcomes for youth, and promote community safety. Despite significant reductions in juvenile crime and incarceration, New York is one of only two states that continue to prosecute 16- and 17-year-olds through the adult criminal justice system. The proposed budget continues an investment of \$14.1 million to provide State aid to municipalities for the operation, provision and administration of eligible Youth Development Programs. As you will recall, the enacted 2013-14 Budget created a flexible, seamless Youth Development Program to provide administrative relief to municipalities. It did not require local matching funds, and allowed counties to provide services designed to support youth development in communities deemed "at risk".

The Executive Budget includes a joint proposal from OCFS and the Department of Health to assist foster care agencies in the transition to Medicaid Managed Care that is scheduled to occur in 2016. OCFS is working with the Department of Health on this transition so that the specialized needs of children in foster care are understood and that managed care plans and health homes have sufficient expertise and capacity to meet their needs.

Governor Cuomo builds upon the success of the State's first fully-funded pre-kindergarten program by committing to invest \$1.5 billion over the course of five years to support a phased-in implementation. We applaud the Governor's commitment to New York State's children by creating an early path toward success for future generations.

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The Executive Budget provides for a critical investment in the Child Care Subsidy Program through a net increase of \$21 million to the Child Care Block Grant. This will support access to daycare for working families and recognizes the increasing costs faced by day care providers, many of whom are an essential part of New York State's small business community. OCFS is dedicated to making certain that child care funds are used for their intended purpose. OCFS has broadened its fraud initiative to identify and investigate suspected child care subsidy fraud. In addition to deploying a Statewide automated child care time and attendance system, we've given local districts more authority to take action against fraudulent providers. We've also awarded 20 incentive grants to local districts to help further detect, prosecute and prevent child care subsidy fraud. To date, these grants have prevented \$18.4 million in fraudulent claims.

As part of the Governor's effort to improve efficiency, we are working with the New York State Director of LEAN on evaluating our child care licensing process, with the goal of significantly reducing the time it takes to issue child care provider licenses.

To help recover from the devastating effects of Superstorm Sandy, New York State was awarded \$235 million in Federal Social Services Block Grant funds to help human service providers with reconstruction and repair costs. Many of the grantees who will receive this much needed funding are daycare providers.

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OCFS has been very proud to steward this vital recovery effort.

The explosion of scientific research in the past five years points to the irrefutable conclusion that childhood trauma left undetected and untreated predisposes future generations to a spectrum of medical, mental health and social challenges at enormous cost throughout their lifetime. To address these issues, OCFS is increasing its focus on child well-being, and we've partnered with the Office of Mental Health, OPWDD, the Department of Health, OASAS, the State Education Department, local social service districts and our voluntary agency partners to establish an action plan. We're also partnering with national experts on this emerging body of work, and is being recognized as a leader among states.

Our New York State Commission for the Blind celebrated its centennial last year, and thanks to the action of the Legislature and the Executive, its new name became official. The Commission continues to be a national leader in securing employment for blind and legally-blind citizens.

As Acting Commissioner of the Office of Children and Family Services, I am fully committed to Governor Cuomo's responsible, balanced plan to bring about necessary reforms and improve outcomes for our New Yorkers. Our agency remains focused on our mission of protecting and strengthening the safety, permanency and well-being of our children, families and communities. We look forward to our continued work with you as we work to keep New York State moving on the path to a bright and sustainable future.

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Thank you again for the opportunity to address you today. I welcome your questions and comments.

CHAIRMAN FARRELL: Thank you very much.

We've been joined by Assemblywoman Titus.

Mr. Oaks.

ASSEMBLYMAN OAKS: Yes. We've been joined by Assemblyman Goodell.

CHAIRMAN FARRELL: First to question, Ms. Lupardo, Assemblywoman Lupardo.

ASSEMBLYWOMAN DONNA LUPARDO: Thank you, Mr. Chair.

Hi, it's nice to see you, welcome.

ACTING COMMISSIONER POOLE: Thank you.

ASSEMBLYWOMAN LUPARDO: Over the summer, a number of Assembly Chairs held a number of roundtables as part of our Assembly Childcare Workgroup. We recently issued a report, and we're going to be listening to a lot of the testimony through the lens of that report, and some of the suggestions that we are recommending. We're just curious if you had a chance to take a look at the report yet.

ACTING COMMISSIONER POOLE: I have not, Assemblywoman.

ASSEMBLYWOMAN LUPARDO: Okay. So it looks like this, and we'll be certain -- we'll be getting --

ACTING COMMISSIONER POOLE: I'll be happy

to review it.

ASSEMBLYWOMAN LUPARDO: -- into this,
ASAP.

So what basically came out of the workgroup, to just quickly summarize for you some of the recommendations, we were looking at the importance of enhancing the Childcare Subsidy Program. Obviously, we looked very closely at county copayment disparities, improving access to working families, promoting professional development and, also, really elevating the conversation about childcare as an economic development tool, not only for those parents who want to achieve in their careers, and also for those children to be better prepared for careers and a healthy lifestyle moving forward. So the first question I have has to do with the Childcare Subsidy. So our understanding is the net increase to subsidies will be used to support local social service districts as they adjust to the new market rates; is that correct?

ACTING COMMISSIONER POOLE: Yes, it is correct.

ASSEMBLYWOMAN LUPARDO: So the upshot is that there will be no new slots created?

ACTING COMMISSIONER POOLE: As a result of the \$21 million investment, perhaps not; although, Assemblywoman, we are hopeful as the UPK initiative rolls out across the State, given that it's the Governor's intention to pay for Universal pre-K, that some of the childcare subsidy slots that are going to three and four year olds

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may, in fact, be covered under the UPK funding, and could potentially open up some additional care childcare slots.

ASSEMBLYWOMAN LUPARDO: Does OCFS have a handle on the number of children who are in need of slots?

ACTING COMMISSIONER POOLE: Our State agency does not, Assemblywoman, our practice in New York State is that local departments of social services have the option of maintaining waiting lists.

ASSEMBLYWOMAN LUPARDO: Do we know how many children and families were served by childcare subsidies in 2013?

ACTING COMMISSIONER POOLE: Yes, I do.

CHAIRMAN FARRELL: Can you speak up a little louder, please.

ACTING COMMISSIONER POOLE: Sure.

Approximately 220,000 children were served through subsidy.

ASSEMBLYWOMAN LUPARDO: Just following along in this line, would the inclusion of childcare waiting list requirements for districts benefit recipients and districts in their administration of childcare?

ACTING COMMISSIONER POOLE: No, our position, Assemblyperson, is that districts know best what their local priorities are, where they are in spending their childcare allocation, so I think, you know, continued discussion about the merits of that idea

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would be necessary before making a change.

ASSEMBLYWOMAN LUPARDO: I want to talk to you a little bit about the calculation of childcare subsidy co-payments and apologies for just rolling through, we have, obviously a very limited amount of time. So OCFS regulation governs the calculation of the childcare subsidy copayment, allows districts to choose any multiplier, as you know, between 10 and 35 percent. We're interested in re-examining that. So if they can choose that multiplier, we're wondering, in some districts, this can be as high as 35 percent; many, many, counties, including my own. I'm just curious if you think this is a reasonable amount to ask families to pay given the economic realities many of them are facing.

ACTING COMMISSIONER POOLE: Again, Assemblyperson, I -- you know, I think it's an important question that bears further study. I think it's one that I'm not prepared to answer today.

ASSEMBLYWOMAN LUPARDO: Okay. So moving forward, we're going to want to take a --

ACTING COMMISSIONER POOLE: Absolutely.

ASSEMBLYWOMAN LUPARDO: -- big look at how this is being administered, and whether ultimately this is fair, and whether or not maybe more children can be served down the road.

The last line of questioning I have has to do with preventative services. As you may know, several years ago the State increased the local share for child welfare services to 38 percent as a

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way to close the deficit. Many of us really don't think it's appropriate for local districts to continue to pay an increased share of child welfare costs when the State is in surplus. Has OCFS done some calculations as to what it might cost to slowly return some of that money so that we might be able to get them back to 65? We could go to 64, 63 or 62?

ACTING COMMISSIONER POOLE: Yes, we have not, to my knowledge, Assemblyperson, conducted that calculation. And, certainly, we can provide that for you, at least our best estimate.

ASSEMBLYWOMAN LUPARDO: That would be good.

ACTING COMMISSIONER POOLE: Although I would like to note, when we look at other states across the country and the investment from their State Legislature, New York State remains one of the most richly reimbursed child protective and preventative service systems in the country. So we're fortunate, when we are able to talk to our colleagues in other states, they're envious of the reimbursement and the support that we do receive from the State level.

ASSEMBLYWOMAN LUPARDO: Nonetheless, our locals feel that it's a mandate that they're having a very difficult time going along with.

We held a number of hearings over the summer and the fall about Child Protective Services, we were in Erie County and New York City and other places. And while we can approach this from a number of different angles, universally, people felt that we needed to put more resources into prevention, and Assemblyman

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Hevesi and I will be recommending that we start moving in this direction so that these agencies have the resources that they ultimately need. So while I appreciate your saying that we're very supportive and rich in those services to needs, certainly, and I can speak for -- and Upstate New York is really great. And I think we can go a long way by trying to recover some of the monies that we used to give to our municipalities.

I'm going to yield the rest of my time. Thank you.

CHAIRMAN DEFRANCISCO: Senator Cathy Young.

SENATOR CATHARINE YOUNG: Thank you very much, Mr. Chairman.

Welcome to the Acting Commissioner.

ACTING COMMISSIONER POOLE: Thank you.

SENATOR YOUNG: I just had a couple of questions regarding the proposed Human Services Budget, and in relation to asking for additional time to close some of the limited-secure OCFS facilities, and I was wondering, why does OCFS need additional time to close those facilities?

ACTING COMMISSIONER POOLE: That's a good question. My response is twofold, Senator: One, as I mentioned earlier, and you're all aware, of course, that the Governor is convening a commission to study the implications of raising the age of juvenile jurisdiction, and so, that exploration may determine the need for an additional constellation of beds, so that's the first thing. And the

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second is that the exact timeline of the implementation of New York City's Close to Home initiative for limited-secure, it's not quite determined yet, so we're not sure, we have not received a final plan from New York City as to when they plan to accept the transfer of New York City's youth back to the City.

SENATOR YOUNG: That dovetails into one of the concerns I have, because it's not clear whether there's enough capacity in the non-profits in New York City to be able to house the limited-secure residents. Is there enough capacity available?

ACTING COMMISSIONER POOLE: You know, I think that's exactly the question that is before the new Administration, both the Mayor's Office and from our conversations with the Administration for Children Services, and I think they want to make absolutely certain to the extent possible that those not-for-profit agencies will be prepared to provide safety and security in all the specialized programming that we know is required in order to, you know, to promote a good program. So I think they're taking careful a review of that capacity.

SENATOR YOUNG: What types of crimes have the youth released from the limited-secure facilities committed?

ACTING COMMISSIONER POOLE: I don't have that information at my fingertips --

SENATOR YOUNG: Just generally, though, do you have --

ACTING COMMISSIONER POOLE: I think it

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would, and this is hypothetical, but I think we can imagine that it runs the spectrum, you know, from robberies to assaults, you know, those kinds of crimes.

SENATOR YOUNG: So, some of them, at least, are violent crimes that were committed? Right?

ACTING COMMISSIONER POOLE: They may be, Senator, I'm just not able to commit to that statement this afternoon.

SENATOR YOUNG: It's my understanding that these youths in many cases have committed violent crimes, and I guess the concern that I have is whether the youths who are released from the limited-secure facilities pose a safety threat to the community, to residents of the State. And I was hoping you could address that.

ACTING COMMISSIONER POOLE: So, that's our goal, that's our expectation, that after-care services that will be provided as part of New York City's limited-secure plan do have the appropriate electronic monitoring, other -- you know, other safety measures in place to assure that those youth who have been released from placement are back connected to schools, to other parts of their community. And we all know from the research that it's those kinds of real connections, back with family and communities, that promote the best likelihood of not further re-offending. So, we're looking to see exactly those kinds of elements in the final plan submitted by New York City.

SENATOR YOUNG: You know, I think that's really key, because in my personal experience, I've had a lot of contact over

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the years with families of victims or victims themselves of violent crimes committed by youth. And, you know, for example, we've passed in the Senate, Renee's Law, it's the case that's related to Renee Greco, I'm sure you're familiar with it.

ACTING COMMISSIONER POOLE: Yes.

SENATOR YOUNG: She was a direct care worker working in an OCFS facility in Buffalo, was attacked and viciously murdered. And we've had other cases, Officer Anthony DiPonzio in Rochester, who was shot in the back of the head by an AWOL youth. And of course we know there have been several notorious cases in New York City, so -- and I urge you to continue to look at the safety issues, because they're real, and the reason that we know that they're real is because we have actual cases. So thank you very much.

CHAIRMAN FARRELL: Thank you.

Assemblywoman Jaffee.

ASSEMBLYWOMAN ELLEN JAFFEE: Thank you very much. And good luck as you move forward in your efforts.

I wanted to just focus a little bit on childcare issues. You know, when we talk about childcare, one of the issues that has come up over and over again is the concern about quality, quality care. And there is an initiative, QUALITYstarsNY, which truly is the standard for the childcare providers and the environment that our -- our children can thrive. Is there an effort to move forward and to expand access to QUALITYstarsNY for many of our providers?

ACTING COMMISSIONER POOLE: Yes,

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Assemblywoman --

ASSEMBLYWOMAN JAFFEE: And could you move the microphone a little closer so we can hear you a little better. Thank you.

ACTING COMMISSIONER POOLE: You're quite welcome.

You know, we do believe in the QUALITYstars program and we are encouraged by some of the programs that are participating. As is always the case, when we look at our world of childcare and available funding, I think oftentimes we need to make very difficult decisions as to where we have additional funds to put at this particular time. But we'd be more than happy to explore other ways to expand the QUALITYstars program. We agree that's it's an incredible investment and a shared learning experience for those programs.

ASSEMBLYWOMAN JAFFEE: I agree. And I hope that perhaps we can work together, bring some of the advocates in, those who really understand the programs and find a way to expand opportunities for many of our providers to have access to that -- and for the children, actually --

ACTING COMMISSIONER POOLE: Absolutely.

ASSEMBLYWOMAN JAFFEE: -- to have access to that kind of program.

Many of the local districts -- when I was looking at the subsidies, one of the major issues that I see, particularly in my

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county, but there are other counties, that they have waiting lists, they have long lists, and they do not have sufficient subsidies -- funding for subsidies to provide the numerous families that really need the subsidies and the childcare -- the access to childcare. I see that some counties don't utilize -- they don't use a large portion of the funding that they are provided for subsidies. How can we provide an opportunity for a balance so that those counties that need and have long waiting lists will be able to have access -- significant access to funds that other counties have that do not use it? Or perhaps we should go back and review the needs within the counties and take a look as what subsidies are provided.

But that is a major issue, and I was looking -- really attempting to look at the numbers in terms of the counties, and I see that some counties really do not use a large portion of the funds that they're provided, some roll them over, and I'm not sure exactly how that works out. But it concerns me on those counties that truly need additional funds, have waiting lists, have families in need and they are not provided the funding that they need, and other counties who don't need it, they have all that funding sitting on the side. So is there some approach to that that we can -- some way we can change and revise how that is done.

ACTING COMMISSIONER POOLE: So Assemblyperson, I would want to go back and actually look at the data. I'm not sure what you are referring to, but we're in full agreement, we want to be certain that New York State's Child Care

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Block Grant is spent, to be certain that wherever possible we can increase access to good childcare for working families, and certainly reduce waiting lists. So I would be very happy to go back and take a look and provide you with some more substantive information following the hearing.

ASSEMBLYWOMAN JAFFEE: Yes, I think that's very important, and I appreciate that. And I hope that with Chair of Children and Families and I could be included in that dialogue, to take a look at how we provide it -- the funding that's provided to assure that every child in the State who needs -- and every family who truly needs that kind of assistance will be given that opportunity, and that definitely has to do with, many cases, the allocation, how that is done.

One other issue, and I know my -- I still have a little bit of time. There is an issue in terms of how the -- how the children are chosen, or families are chosen for the subsidies. And there were many issues, and just one that I want to raise. I understand that in my county, for instance, and I don't know if this is -- there is still a question we've been going around and around about this, they allow -- they provide childcare -- if a family already has a child in childcare, they get pushed up on the list before other families who may have just the first child in childcare. So if you have three children, you -- one, two, three, all of them will be -- you'll go right up on the list, on the top, and you have access to childcare immediately. But somebody who has a first child, they get way down on the list. I don't know if that's part of the law, or this is just something that has been a decision

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that was made arbitrarily. Are you aware of that?

ACTING COMMISSIONER POOLE: I'm not aware of that particular example. But I do know that we don't regulate departments of social services, you know; to prioritize, to the best of my knowledge. You know, we require, though, that each department of local social services provide a plan to us that indicates how they do plan to allocate the child --

ASSEMBLYWOMAN JAFFEE: Yes, I think that -- yes, I'm sorry. I think that is an issue and a problem, and I would love to, perhaps, have a meeting with yourself and our Director of Social Services in Rockland County, because I'm very concerned about that. And I was told initially that was law. And so I'm curious as to how they're moving forward.

And one last question. One of the major concerns I have and I've discovered regarding childcare and -- in the subsidies in New York State, is that the counties, each of them, have different rules and regulations. If you're living in one county and you have a child who is 16- or 17-years-old that happens to be working part-time in a local business, the funds that that young person earns actually gets included in the determination as to whether that family can have subsidies, the salary level. Then, if you -- and so then you wouldn't be able to have the subsidies and wouldn't be able to -- if that income then takes you over the top of that level. Then you move to another county, and that doesn't happen. So I'm wondering whether it would be much more appropriate if we had standardized what is provided,

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what the legal issues are. What is the law? What are the standards? How do we make childcare subsidies available and make that the rule throughout the State rather than different counties have different rules.

And I have a piece of legislation that actually would do that, and change that particular law. But I think that we need to look at a number of the different laws, regulations and the differences there are in each of the counties and standardize them, and make it one rule for New York State how you get the subsidies, and I think that would be more appropriate.

ACTING COMMISSIONER POOLE: I look forward to further exploration of those issues as well as the ones raised by Assemblywoman Lupardo, as well.

ASSEMBLYWOMAN JAFFEE: Thank you very much.

CHAIRMAN DEFRANCISCO: Senator Kennedy.

CHAIRMAN FARRELL: We've been joined by Assemblyman Carl Heastie.

Thank you. Senator.

CHAIRMAN DEFRANCISCO: And by Senator Squadron.

SENATOR TIMOTHY KENNEDY: Thank you very much, Commissioner. We've had a heart-wrenching year-and-a-half to two years up in Erie County, and I know there's been other situations that have been equally as heart-wrenching across New York State.

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CHAIRMAN FARRELL: You should talk -- talk a little louder.

SENATOR KENNEDY: Certainly --

CHAIRMAN FARRELL: Everybody is talking very mumbly.

SENATOR KENNEDY: There have been children, as you're well aware, that have died at the hands of abusers all across New York State. In Erie County, we have seen at least two, with another investigation pending, children that have died while these individuals were in the system of Child Protective Services. Across Erie County, New York State, the nation, we have an epidemic of child abuse and neglect, an epidemic we must address. I'd like to commend the Agency for their very swift response to my call for an investigation into Erie County and the Child Protective Services. Commissioner Carrion was extremely thorough in the ongoing two-phased investigation, has already shed light on issues that need to be addressed in Erie County and need to be addressed equally across the State. I look forward to working with you, Commissioner, as we continue to address these issues.

I know there's legislation that's out there, we have comprehensive legislation that will address some of these issues that we found in Erie County. And while there are very clear issues that have been identified in Erie County's Child Protective Services Department, in several other Departments across the State, I understand that Child Protective Service workers face unimaginable

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obstacles as they strive to keep our children safe. Generational poverty, substance abuse, mental health and other issues often go hand-in-hand with child protection cases, and they make for extremely challenging investigations. So we need to give these frontline workers the resources that they need to do their job.

The average caseworker in New York State could have up to 12 to 15 caseloads at a time. In Erie County, that number was closer to 20 at any given time. Cases that may involve daily contact, multiple children, alleged abusers, hours of paperwork. While child protective cases continue to grow both in complexity and in numbers, we have to ensure that the caseworkers are highly qualified, they're trained, they're able to spend time with these investigations, the time that these investigations deserve, the attention that they need to have that thoroughness to get to the bottom of the abuse and the maltreatment.

Can OCFS provide additional funding for county CPS departments to hire more caseworkers, to increase training opportunities and decrease caseloads that will allow for more thorough investigations?

ACTING COMMISSIONER POOLE: Senator, you obviously have a good grasp on the challenges facing local departments of social services. And I am a former local commissioner here, so I am very familiar with what it feels like to go through what Erie County and New York City is. There were a number of fatalities under my administration, and I can tell all of you, it's a life changing

experience.

That being said Senator, I think what we'd like to also do is to explore opportunities to strengthen the community protective system as well. There's no -- you know, we are always looking to continuously improve our child welfare system in New York State. I am proud to say that OCFS has spearheaded a number of initiatives. I believe we have a strong oversight system. I think our initial inclination is to legislate and regulate new laws and practices that may add more burden to the local departments of social services and, perhaps not have such a comprehensive view of what it really takes to keep children safe, and that is safety in communities; more of a community child protective system.

And so, I'd like to suggest as we move forward in these discussions, Senator, that we not only look at how we can partner to create a better system of community child protection through our local departments of social services, but that we begin to think a bit creatively about how do we create more sustainable protections for children and communities, and we would welcome your support.

SENATOR KENNEDY: Should the State consider a cap on the number of cases that each caseworker gets?

ACTING COMMISSIONER POOLE: You know, that is one option to be considered, Senator. I think it's important to consider a number of options that may achieve the same outcome that I think we're all after.

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SENATOR KENNEDY: I know Assemblywoman Lupardo already brought up the ratio. I'd like to lend my support in increasing that ratio of State funds. If we increase the State funds, decrease the burden on localities, increase the ability of those localities to hire caseworkers on the ground, can you comment on that again?

ACTING COMMISSIONER POOLE: So, again, it's -- you know, it's the 6238 open-ended. So local departments of social services today and, again, balanced against other pressures that we know they face, you know, may choose to staff to caseload standards. And there a number, not many, but there are a number of local departments of social services who staff to 12 or 15 caseloads. So it's currently an option but, again, it still may be outside of the reach of some local departments of social services.

SENATOR KENNEDY: Are there mechanisms at your disposal to increase resources to those municipalities at the county level?

ACTING COMMISSIONER POOLE: Not beyond what we currently have in the budget.

SENATOR KENNEDY: Even if those counties or municipalities are deemed to be troubled in the service delivery?

ACTING COMMISSIONER POOLE: No, there's no additional funding, Senator, in the budget at the moment.

SENATOR KENNEDY: Okay. One critical asset our State has to respond to in preventing child abuse are the Child Advocacy Centers. In Western New York, the Buffalo Child

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Advocacy Center is one that I've been through, it is not just effective in its service delivery in finding the very critical information and investigations, but it -- they're found to work. They save money; \$1,000 at a time in the implementation. Can you talk a little bit about the Child Advocacy Centers and the increase in those Child Advocacy Centers? There's also been, while Child Advocacy Centers have increased from 17 or 18 in 2007, they're now up to 40 Statewide, and the funding had been cut, it's been restored somewhat, up to about \$6 million, but I know that these Child Advocacy Centers that are working need more resources, I think to the tune of \$1.5 million, they're looking for, can you talk to that?

ACTING COMMISSIONER POOLE: So certainly we are -- we're very proud of the 40 Child Advocacy Centers that exist among our counties. To the Senator's point, they provide a very important safe, welcoming place for children who are victims, to be seen often by medical professionals. And I think the most important feature of a Child Advocacy Center is that through a multi-disciplinary approach, further trauma through multiple interviewing is prevented by a coordinated approach. So I would certainly agree with you, they're a valuable asset in providing services to those children.

SENATOR KENNEDY: Can the State commit to getting an increase in funds for those Child Advocacy Centers?

ACTING COMMISSIONER POOLE: So, Senator, again, we try and strike the balance. We have a number of child welfare initiatives and programs and we make our decisions based

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upon where we think we can have the most impact. There's a lot of service provision that our Executive Budget funds.

SENATOR KENNEDY: That's all I have. Thank you, Commissioner.

ACTING COMMISSIONER POOLE: You're welcome, Senator.

CHAIRMAN FARRELL: Thank you.

Assemblyman Jaffee -- Assemblywoman Jaffee.

ASSEMBLYWOMAN JAFFEE: Again?

ASSEMBLYMAN OAKS: She went....

CHAIRMAN FARRELL: Oh. Assemblyman Crouch. I'm sorry.

ASSEMBLYMAN CLIFFORD CROUCH: Yes, Commissioner, good afternoon.

ACTING COMMISSIONER POOLE: Good afternoon.

ASSEMBLYMAN CROUCH: A couple of questions. The Article 7 language of the Budget expands the services that the Boards of Cooperative Educational Services may provide at a OCF -- OCFS-operated facility, including services provided by BOCES; but currently BOCES, my understanding, they can only contract with OCFS for special ed services. The expansion of service, is that something that would be a cost to the locality, local BOCES district? Or is that an additional contract paid for by the State?

ACTING COMMISSIONER POOLE: I believe it

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would be the latter, Assemblyperson. And our -- our goal here is to expand our contracting authority with local BOCES so that we can bring some of the non-special ed services that are provided to all children in public education, such as access to art, to foreign languages, some of the specialized vocational services that right now we do not have full bandwidth capacity to provide in all of our facilities.

ASSEMBLYMAN CROUCH: Okay. So there would be no additional local cost to the BOCES district, then?

ACTING COMMISSIONER POOLE: Not that I'm aware of, sir.

ASSEMBLYMAN CROUCH: Okay. I have one other thing. Who oversees the CPS workers -- the Child Protective Services, the hotline, whoever, you know, when something is going on and it's reported to Child Protective Services, who oversees those? Is that a county person that's working there, or is it somebody that's under your office?

ACTING COMMISSIONER POOLE: So our State agency, OCFS, we administer and oversee the State Central Register, which receives approximately 300,000 calls a year. And once a report is taken, so it meets the threshold of some reasonable cause to suspect abuse or maltreatment, then our intake workers transmit that report to the local department of social services for investigation.

ASSEMBLYMAN CROUCH: Okay. I know of a couple of instances where the response was totally unacceptable; that a

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certified reporter was giving early intervention services in a home and consistently saw more and more signs of abuse, and so she reported it, and waited a couple, three days, nothing seemed to have happened, she was there three days a week; and reported again when she saw more bruises, and the child unfortunately was just not -- it was not clean, she ended up having to change the diaper every time she was there, washing the child down with wipes. She reported to CPS services about three or four times. And finally, she asked the question, *What's happening?* The response was, *Well, there's another therapy person that goes into that house and we feel we have enough eyes on the ground, that, you know, there's no cause for an investigation at this point.* She said, you know, *Call us when you see something you think is really bad.* And the certified reporter said, *In other words, if I see the baby that's dead, that's when I call you?* She said, *I'm a certified reporter, you'll hear from me every time I see abuse, and I refuse to have my license in jeopardy if you're not taking action.* That caused an investigation. But what happened, they called the family, said, *You've been reported for a potential abuse, we're going to come out and investigate you at 10:30 tomorrow morning.* So by the time they showed up, the baby was clean, the house was clean, and the parents were totally upset, said somebody called and reported them.

To me, that's not the way to handle it. Number one, it should have been investigated on the first time through, not four or five times later; and to call and let them know that they're coming out to look, obviously they're on their best behavior. What's --

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ACTING COMMISSIONER POOLE: It would be very --

ASSEMBLYMAN CROUCH: -- the protocol?

ACTING COMMISSIONER POOLE: Yes. So it would be difficult for me to comment on that individual case without knowing --

ASSEMBLYMAN CROUCH: But is that --

ACTING COMMISSIONER POOLE: -- more specifics.

ASSEMBLYMAN CROUCH: Would that be the normal protocol, that you call and let them know that they're being investigated and they're coming out?

ACTING COMMISSIONER POOLE: I'm sorry, can you repeat the last part?

ASSEMBLYMAN CROUCH: Would the normal protocol be that you'd call and let the family know that they're being investigated and somebody will be there at 10:30 tomorrow morning?

ACTING COMMISSIONER POOLE: That can be a protocol. There's nothing in our regulation that prohibits a department of social services from calling a family and letting them know that they will be coming out to make a visit to check on the safety. I can tell you that that is not customarily the practice in most local departments of social services.

ASSEMBLYMAN CROUCH: Normally it would be a surprise call -- visit, I would assume?

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ACTING COMMISSIONER POOLE: Typically that is the practice.

ASSEMBLYMAN CROUCH: Okay. So it's the local social services that makes that decision? Okay. All right. Thank you.

ACTING COMMISSIONER POOLE: You're welcome.

CHAIRMAN FARRELL: Thank you.

CHAIRMAN DEFRANCISCO: Senator Smith.

Senator Smith, you don't have any questions? Okay. Then Senator Savino.

SENATOR DIANE SAVINO: Thank you, Senator DeFrancisco.

Thank you for your testimony, Ms. Poole.

I want to go back to the issue of Close to Home. As you know, when I was the Chair of Children and Families, Close to Home initiative was brought through the Legislature and it wound up becoming part of the State Budget that year. So I notice in the Executive Budget, it's proposing that we delay the implementation of the limited-secure portion of Close to Home. And, you know, the implementation of non-secure Close to Home is -- it's hit a few bumps along the way; but limited-secure was supposed to go into effect this year, and now the Executive Budget is proposing that it be postponed for an additional year. But at the same time, we're talking about a head count reduction of more than 234 full-time equivalents and

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according to the Executive Budget, it's -- we're downsizing -- this reduction in head count reflects the continued closing and downsizing of youth facilities associated with current Close to Home initiative. But if we're not doing to it for another year, why are we letting the staff go now?

ACTING COMMISSIONER POOLE: We're not.

SENATOR SAVINO: So make me --

ACTING COMMISSIONER POOLE: So we -- we've concluded our facility closures and downsizing related to the completion of phase one of Close to Home --

SENATOR SAVINO: Non-secure.

ACTING COMMISSIONER POOLE: Of the non-secure, that's correct. And so, based upon our conversations with the current administration at ACS, they believe that they will begin to commence the transfer of limited-secure youth back to New York City late summer, early fall. But we do not yet know how that rollout will actually take place; thus, you know, we need some extra lead time to be certain that we're able to maintain our own limited-secure capacity as those children continue to come into the system.

SENATOR SAVINO: I anticipate we're going to see the same level of bumpiness on limited-secure that we saw on non-secure, and probably it will be, you know, even more so because of the limitations on where we can place these facilities. Under the legislation that created Close to Home, it talked about the transfer of limited-secure to facilities that are currently owned and operated by

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the State of New York and then leased to the City of New York for Close to Home.

I've been concerned about this for a lot of reasons, because I think so there's a -- there's a misconception about how close to home some of these kids are going to wind up, because of the requirements that they have to go into facilities that were previously owned and operated by the State Office of Children and Family Services, and now they will be leased to the City of New York. So most of the kids aren't really going to be close to their own home. In fact, children who were coming from Westchester, that come from the Bronx, are winding up in Staten Island. They were closer to home in Westchester than they are in Staten Island. So it's going to be difficult, and we're going to meet a lot of community opposition.

But you said something else in your testimony that kind of got my antenna up. One of the reasons for the slowdown in the implementation was with respect to the Governor's commitment to raising the age of criminal responsibility, that we might need to prepare for those kids. But those children who would be prosecuted in criminal court are not supposed to be, you know, transferred to Close to Home. The kids who are in Close to Home facilities are supposed to have been adjudicated in Family Court. So, I'm a little concerned that we might be looking to put children into this program that were never intended to be there, which is going to make it that much harder

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ACTING COMMISSIONER POOLE: Yes.

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SENATOR SAVINO: -- to get this program successful in the City of New York.

ACTING COMMISSIONER POOLE: Yes, I'm glad you asked that clarifying question, because that's not what I intended to suggest. I was just meaning to say that the Raise the Age Commission may contemplate the additional need for beds, not suggesting that it is the same as limited-secure in New York City.

SENATOR SAVINO: Thank you for clarifying that.

ACTING COMMISSIONER POOLE: You're welcome.

SENATOR SAVINO: Because that would have been quite problematic for a lot of people.

On some of the issues that Senator Kennedy raised about caseload caps, and listen, I would love to, you know -- I may be the only person in the Legislature that's ever actually done this job. So the issue of caseload caps has been something we've all talked about for years with limited budgets, or even just limitations in -- of child welfare funding coming from Washington; it's a hope, but I don't imagine we're ever going to be able to accomplish it. But one of the programs that we did adopt a few years ago that proved successful in Westchester and in Suffolk County was the Differential Response Program, and then it was expanded Statewide. It was supposed to deal with some of the cases that really shouldn't wind up in the foster care system, or shouldn't result in unnecessary separations. And I'm wondering if you have any update on the success of FAR and

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Differential Response across the State and whether or not we're investing enough money in it.

ACTING COMMISSIONER POOLE: Certainly, I'd be happy to. So Family Assessment Response is New York State's name for Differential Response, or an alternative to a traditional Child Protective Service investigation. That was passed, as the Senator indicated, by the Legislature several years ago. Currently, there are 23 local departments of social services who are voluntarily opting to participate in Family Assessment Response. Many counties choose to take those reports from the SCR that have to do with educational neglect, perhaps lack of supervision; our State law also precludes certain types of reports from being tracked in the first instance. We have, last year I believe there were 13,000 reports that were tracked to Family Assessment Response. For districts who opt to do this, I think they would say it takes a tremendous amount of leadership. There's a significant training investment in learning the new skills of engagement and interviewing with children and families.

To your question of funding, do we have enough funding, you know, support, we've been very fortunate through our training contract to work with the national experts from the Butler Institute for Families, they actually come to two of our counties and provide hands-on coaching and training, they actually will go out into the field with a FAR worker to be certain that that modeling and that transfer of learning for the FAR practice is there. So it's still evolving, it's our hope that we see FAR expand --

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SENATOR SAVINO: Hopefully so.

ACTING COMMISSIONER POOLE: I'm grateful for your support.

SENATOR SAVINO: And I -- I'm not going to address the Child Advocacy Center because you heard from one of my colleagues, and let me just say, I agree with them, that we need to invest in them. There's one other point I would like to make, though. Certainly, I care a lot about the public sector side of the Children and Families world and Child Welfare system. But none of the public agencies could perform all of the tasks that are necessary to protect children and families in New York. Our partners in the non-profit world are critically important. So, I'm a little concerned that one more time we're seeing the delay of the implementation of the Human Service COLA. It is hard enough to attract professionals into this field to begin with. It becomes even more difficult to keep them in the field when their wages are stagnant. The turnover rate in some of the agencies, not just on the public side, but on the private side, contribute to bad outcomes in many respects, because every time you have to change, you know, the social worker or the caseworker, that creates a disruption in that family's life, in that service plan, and I really think it's time for us to reconsider whether or not we're going to continue to invest in this workforce. And the Human Service COLA, while it's not a lot of money, it's certainly something, and I know these agencies are re-arranging, you know, the chairs on the deck of the Titanic. So maybe we should consider reinvesting in them. That's it. Thank you.

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CHAIRMAN DEFRANCISCO: Okay, Denny.

CHAIRMAN FARRELL: Thank you.

Assemblywoman Titus.

ASSEMBLYWOMAN MICHELE TITUS: Thank you, Mr. Chairman.

Welcome, Acting Commissioner Poole, and thank you for your great testimony.

I'm going to focus again back to childcare, as you know, that's one of the main priorities here in the Assembly, and as my colleague has said, we had a report that we published, The Task Force on Childcare, that we are sort of working off of. And the net increase that we see in the Executive Budget, two subsidies will be used to adjust the market rate, and will not, in fact, increase any additional slots. You mentioned that last year we had over 220,000 slots and that hopefully with the passage of the UPK that that would alleviate some spots for three- to four-year-olds. Do you have a percentage of how many slots that would actually alleviate?

ACTING COMMISSIONER POOLE: I don't have an exact figure for you today.

ASSEMBLYWOMAN TITUS: Okay. You know that many -- my colleague, Donna Lupardo, spoke about the availability. I'm just focusing on the eligibility of childcare. Are you aware of any districts currently denying or restricting eligibility for new families seeking childcare?

ACTING COMMISSIONER POOLE: I'm not aware

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of specific local districts, I could not name them for you today, but there may be departments of social services who are not currently adding families to their waiting lists.

ASSEMBLYWOMAN TITUS: Okay. Do you believe that the districts are providing, then, equitable and fair access to these subsidies, and what is your office doing to try to rectify that?

ACTING COMMISSIONER POOLE: Again, you know, we have a State-supervised county administered system. We believe that it is the local departments of social services who know best, you know, their community priorities. We do not, as a State agency, direct how the local municipalities choose to manage their childcare allocation outside of meeting our regulatory standards.

ASSEMBLYWOMAN TITUS: And I think one of the main -- major, I guess inconsistencies that we saw with the report was that there is no uniformity across the State, county to county, when it comes to childcare subsidies. In the Executive Budget, there was TANF funding that was eliminated for several programs, such as the Migrant Worker Childcare, the SUNY/CUNY childcare, the Childcare Demonstration Projects. Is your, I guess, agency looking at how these families who currently receive those subsidies, how will they then, moving forward, otherwise obtain some sort of childcare?

ACTING COMMISSIONER POOLE: So what I'd like to say to you is that I think it's very important to remember to recognize that the Federal contribution to New York State to support childcare subsidies has decreased approximately \$17 million over the

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course of the past five years. And to our Governor's credit, he has continued to pour in additional General Fund money to be certain that we are not losing any access to childcare slots.

You know, there was a shift in the TANF but, again, an increase of, I believe it's \$64 million total of New York State dollars being invested so that we hold steady to childcare access.

ASSEMBLYWOMAN TITUS: Okay. Again, moving forward, we look forward to working with you to rectify a lot of these concerns.

ACTING COMMISSIONER POOLE: Thank you.

ASSEMBLYWOMAN TITUS: Thank you.

ACTING COMMISSIONER POOLE: Thank you.

CHAIRMAN DEFRANCISCO: Senator Squadron.

SENATOR DANIEL SQUADRON: Thank you very much.

There we go. Thank you very much.

Just a couple of questions, actually to follow-up where the Assemblymember was going. Obviously, a very large issue is childcare and there are some specific TANF-funded programs mostly that also seem to be zeroed out, and I just wanted to get your take on sort of why that is that they were de-funded. The first that I want to raise is the Nurse-Family Partnership, it's been funded for the last four years or so at the State level. It's funded both out of its own appropriation and also out of the COPS funding that's been -- the Community Optional Prevention Services funding -- you know, I don't

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know how well you know Nurse-Family Partnership, but in randomized controlled studies, it's been shown to find -- have a 39 percent reduction in emergency department use related to childhood injuries for kids up to the age of two. Listen to this: 47 percent reduction in crimes and arrests for kids 11 to 17. This is the program that takes expectant first-time mothers until the second year of the child's life. Over a decade later, 47 percent reduction of crimes and arrests. Fifty-five percent reduction in alcohol, tobacco and marijuana use for kids up to the age of 15. It's pretty extraordinary. Studies show that, you know, every dollar invested in Nurse-Family Partnership pays back in multiples. And I was just surprised to see the Executive Budget propose a Nurse-Family Partnership allocation of zero dollars; and in addition to the COPS funding, which is a big part of New York City's program that serves over 2,000 families.

ACTING COMMISSIONER POOLE: So, Senator, I want to go back and take a look at what you're referring to. But the Executive Budget does continue to provide, I believe it's \$26.2 million, for a Healthy Families Program. So that's OCFS's evidence-based program; very similar to the Nurse-Family Partnership. So that is included for OCFS in the Executive Budget.

SENATOR SQUADRON: And we're glad to have the Healthy Families money, it's critical for the Federal maintenance of effort, it's not identical to the Nurse-Family Partnership Program and, frankly, while it's a positive program and one we want to fund and we certainly want to maintain our Federal maintenance of effort, I would

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highly recommend that you look at the Nurse-Family Partnership Program, which does have this research behind it and this very significant impact for families and kids well into their teenage years in a proven way. The dollars aren't identical, the programs aren't identical and, again, maintaining the COPS funding and restoring the \$2 million to Nurse-Family Partnership.

Another program that OCFS has administered in the past is the Settlement House Program. Obviously, settlement houses across the State, six of them in my district, but also across the State, do a great deal of comprehensive cradle-to-grave services based on what's needed in the community. The Settlement House Program itself has allowed them to make up gaps as Federal funding gets cut, as there have been needs to have State cuts to specific programs. And, again, Settlement House, TANF funding is down to zero this year, and I believe the General Fund is, as well. Do you not think that this is as effective as I've seen it to be?

ACTING COMMISSIONER POOLE: No, I think we would agree it's effective, Senator, I think it gets back to the point made earlier. We have certain amounts of funding that we can provide to support services and we need to make choices.

SENATOR SQUADRON: I would urge you to look at that again. You know, the -- one of the really interesting things about the Settlement House funding is based on the size of the organization, they're able to make up gaps, I think \$16,000 to \$75,000 a year for these organizations. And, you know, at a time when both

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private contributions and State contributions and City contributions are down, it really makes a huge difference so their programs don't get cut, after-school programs, at a time that events after school has largely disappeared, et cetera. And so, I would urge these programs, they're not huge on -- even the size of the overall TANF surplus, but they're massively significant in terms of making a real difference on kids' lives over time. Thank you.

CHAIRMAN FARRELL: Further questions?

Hearing none --

CHAIRMAN DEFRANCISCO: We have several more.

Senator Montgomery.

SENATOR VELMANETTE MONTGOMERY:

Yes. Thank you. Thank you, Mr. Chairman.

Hello, welcome Commissioner --

ACTING COMMISSIONER POOLE: Thank you.

SENATOR MONTGOMERY: -- glad to meet you.

And I just have a couple of questions. You know the area that, I guess, notwithstanding all the other areas that I care a lot about, one of those that I'm -- at least was at one point familiar with, is childcare. And notwithstanding all of our work around Universal pre-K and the push to get pre-k for every four-year-old and what have you, most of those children at this point in our State are actually in childcare programs as a formal experience, more or less. So I have always, having been a childcare advocate and for many years worked in

childcare myself and with people who were involved in childcare and Head Start and early childhood and so forth, in the State, in the City, around the country, I don't remember having childcare referred to in prosecutorial terms. So this is -- this is very striking to me. And you, in your testimony, you talk about saving \$18 million by preventing childcare subsidy fraud. Now, we have always traditionally talked about childcare in terms of expanding it, putting more money into it, supporting it because we know the value of it for the children in particular, but also for children and parents. So my question to you is can you clarify for me what it is you're actually talking about that you are saving \$18 million because you're avoiding fraudulent cases of childcare?

ACTING COMMISSIONER POOLE: Yes, I'd be happy to, Senator. So, regrettably there are childcare providers who submit claims for providing care for children that aren't in their care. Or submit claims that -- you know, submit for funding for levels of care that they're not in their care. And so every dollar that's waste is less one less dollar, right, that goes toward another provider or another family who needs childcare. And, you know, access to childcare has been a theme of this hearing and of my testimony. You know, we want to preserve every dollar that we have coming into New York State to be certain that it's going to providers and to families. And so that's what our focus on fraud is.

SENATOR MONTGOMERY: So, the \$18 million -- it's seems like a startlingly large number, but that's from --

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ACTING COMMISSIONER POOLE: It's actually probably low.

SENATOR MONTGOMERY: -- family private providers of childcare? Is that --

ACTING COMMISSIONER POOLE: Yes. Yes.

SENATOR MONTGOMERY: Okay.

ACTING COMMISSIONER POOLE: I think it covers the whole community of providers, legally exempt, home-based providers, family daycare providers; it is certainly not exclusive to one type of childcare provider.

SENATOR MONTGOMERY: So it sort of mirrors Medicaid fraud, in a way.

ACTING COMMISSIONER POOLE: Yes, in some cases.

SENATOR MONTGOMERY: Okay. I'm very disappointed to hear that, obviously, and I certainly would like to know more about just what you have in place to try and work with providers so that they don't engage in fraudulent activities.

So let me just ask you another kind of question. The whole issue of full day "Universal pre-K," I'm assuming supposes that the day ends as school ends, if it's in school. If you are providing full pre -- full day pre-kindergarten, "education" in school, those children are going to be out of school at the same hour as all other children, which is the 3:00 p.m. hour I'm assuming?

ACTING COMMISSIONER POOLE: I think that

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may happen in some cases, Senator. You know, I think what we have to wait for is to see how New York State's UPK program is designed to address, frankly, some of those very questions.

SENATOR MONTGOMERY: And, of course, my question to you was going to be: Are you at this point in time engaged in what it would require of us, the State, or the locality, to build a -- some sort of a wraparound program to ensure that four-year-olds are not put on a school bus to ride around for 45 minutes to an hour to get home or to do whatever they have to do?

ACTING COMMISSIONER POOLE: No, and I understand the importance, you're asking important questions, Senator, you know, we are not engaged yet, but I know that we will be, given the important role of our agency in the childcare discussion that we will be partners as the State develops its UPK plan.

SENATOR MONTGOMERY: So my assumption is that at some point very soon, we hope that the State Ed Department and your Department will be collaborating around what do we do to make sure that we have the right amount of safety network and support as it relates to four-year-olds, who are sort of not the same as six-year-olds riding the bus home, but that we need to be planning for that right now.

ACTING COMMISSIONER POOLE: Yes, that's our hope, Senator.

SENATOR MONTGOMERY: Okay. Thank you. Can we help with that? Is that -- is there a way for us to help with

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that, I suppose?

ACTING COMMISSIONER POOLE: If there is, we'll be sure to let you know, Senator. Thank you.

SENATOR MONTGOMERY: Thank you.

CHAIRMAN DEFRANCISCO: Senator Gallivan.

SENATOR PATRICK GALLIVAN: Thank you, Mr. Chairman. Good afternoon, Commissioner.

I would, following Senator Squadron, would -- urged you to look at Nurse-Family Partnership and funding for that. For a period of two years, I chaired the Senate Committee on Social Services and we looked very -- before we made our recommendations for funding in the budget, we took a real hard look at outcomes from the various providers and programs, and we ultimately became very strong supporters in our recommendations of the outcomes that we see from Nurse-Family Partnerships. So I would concur with Senator Squadron that that is something that produces fantastic outcomes for families and, ultimately, our community, and urge you to do the same thing.

The only area that I wanted to focus in on was the child abuse reporting and investigation system. I apologize, I was not here for all of your testimony, so you may have covered some of this, but please indulge me one more time. As I am led to believe, the core components of that reporting and investigation system go back 30, 40 years. There's been some changes over time, but it's largely been unchanged during that period of time. The district I represent covers

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four counties out in Western New York, one of those counties is Erie County, where in the past several years, we have seen three child fatalities. And the actions, activities, investigation of the child -- Erie County Child Protective Services and their workers, the caseworkers, was called into question. Much of what I've learned about it has been in the public in the news reporting. But from my time when I Chaired Social Services where I was able to have access to information through one section of Social Services Law as Chair for the purposes of the bigger picture, I only know about one of those cases, not the other two. And, obviously, because of the confidentiality, I can't talk about any of the specifics.

So let's -- if we go back to the system itself that goes back a number of years and, as part of that system, we look at the confidentiality surrounding it, which I understand the sensitivity - children, families, innocent people being named, but it seems to me what's common in this case -- in the three cases of fatalities, and I know there's been others across the State, but just these three, is, we have no idea. We, the Legislature, we, the members of the public, whether or not Child Protective Services is doing its job properly. Nor do we have any idea if there's effective oversight from the State Office of Children and Family Services.

So, have you given any thought, or any plans in the near future to look at the system and take a wholesale look at the entire system, make recommendations for change, and include a focus on some of that accountability? Now, when I talk about that

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accountability, knowing that they're doing the job properly, I don't mean the disclosing of family names, of children's names. But how can the public have trust in something when we've seen three people die in Western New York and we have no idea if anybody has direct oversight? So, anyway, that's a whole long thing, but, old system, are you looking at it --

ACTING COMMISSIONER POOLE: Yes.

SENATOR GALLIVAN: -- if not, why, and can you address accountability in there, as well?

ACTING COMMISSIONER POOLE: So, they were very similar themes to Senator Kennedy, you know, and my response was that our agency, OCFS, is always looking, as is our mission, to ways to improve our child welfare system. And so we are happy to be partners in engaging, I know there's a lot of legislation that's proposed and is pending out there that's under careful review by our agency, including our own State agency's oversight. So, again, I think we are open to continually, Senator, exploring ways to make New York State stronger.

SENATOR GALLIVAN: If we ask you to do a wholesale assessment of that today, do you have the ability to do that? A wholesale assessment of that reporting and investigation system.

ACTING COMMISSIONER POOLE: I think that would be a difficult question to answer today. I think we'd have to really spend some time thinking about what do we all mean by a "wholesale assessment".

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SENATOR GALLIVAN: To be continued. Thank you.

ACTING COMMISSIONER POOLE: You're welcome.

SENATOR GALLIVAN: Thank you, Chairman.

CHAIRMAN DEFRANCISCO: Senator Krueger.

SENATOR LIZ KRUEGER: Good afternoon. So you've heard a whole series of questions about childcare money really not adding up to more slots, and two of my colleagues pointed out the Nurse Partnership Program and the loss of funding. I'm concerned that this would be the sixth year in a row that we have failed to make good on COLA increases for all of the human service providers. We basically are contracting out government programs to the human services community and then we're not providing them the adequate funding for their staff. How long has it been since State workers in OCFS went without an increase? How many years have they not gotten an increase?

ACTING COMMISSIONER POOLE: It's been several years, Senator.

SENATOR KRUEGER: Not six years, though?

ACTING COMMISSIONER POOLE: I don't believe so.

SENATOR KRUEGER: No, so the justification for not approving the COLA increase for the sixth year in a row is what?

ACTING COMMISSIONER POOLE: What I can

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say to you, Senator, is that the Executive Budget, while it doesn't include it for this year, does make a commitment to next year for a three-year funding allocation and I believe we will be in discussions with the not-for-profits about other elements of performance that have to do with the application of the COLA.

SENATOR KRUEGER: And did we make commitments in previous years that we would make good the next year, or the year after that --

ACTING COMMISSIONER POOLE: I can't --

SENATOR KRUEGER: -- when we cut this before?

ACTING COMMISSIONER POOLE: I'm not aware of that, Senator.

SENATOR KRUEGER: So you think what's different this year is that we're promising that next year something will happen?

ACTING COMMISSIONER POOLE: I believe the Governor has committed to what is in the Executive Budget.

SENATOR KRUEGER: Obviously, it's a -- this is really a question targeted at the Governor and the Department of Budget, but I find it unacceptable that we continue to discuss surpluses, which we actually don't have anyway, what we're pretending we do, and then still not funding fundamental programs for children and families, and continuing historical patterns of failing to make good on commitments we've made in earlier years. So it's more a frustration than a question. Thank you very much.

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CHAIRMAN DEFRANCISCO: I have one comment and then I'm going to give the mic over to Senator Felder, Chair of Child and Family Services in the Senate to close.

At least for two budget cycles, I think I was complaining about to your predecessor when we were going to get the new daycare center regulations, and we went around in circles, and back and forth. And last year she told me they'd be out in a matter of weeks or -- "weeks," I think she said. They just came out in January, and I want to give you credit for after she left for getting the job done. That's point one.

Number two, I've talked to you before the hearing today and what really concerned to me was some of the violations that were placed online, sounded a lot more onerous than what actually happened. And I would request that you take a look at how these new regulations deal with that and how it changes. And I just want to be able to discuss it, so that we have a daycare center that's really doing a good job and doesn't sound like they're killing children, because the descriptions were much too severe.

Lastly, when I -- I'm sure I'll be getting input on these regulations, I obviously haven't read them and, quite frankly, probably never will, but there will be people in my district that will read them and there was one section that was brought to my attention on pages 67 and 68 about this notice that has to be given to the Department within 15 days after an employee is hired. And I just want to -- I'll give you an alert that there's going to be complaints about whether it

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really can be done in that period of time. So keep an eye on that, I'm sure we'll have more comments.

But thank you for getting this done and hopefully we can -- this will help daycare providers, because you can't have daycare without providers; do you agree with that?

ACTING COMMISSIONER POOLE: Yes, I do,
Senator.

CHAIRMAN DEFRANCISCO: Thank you very
much.

Senator Felder.

SENATOR SIMCHA FELDER: Thank you very
much.

I'm going to try to speak loudly.

CHAIRMAN FARRELL: Thank you.

SENATOR FELDER: It's good to have you here,
and most of my colleagues -- I should say all of my colleagues have
asked most of the questions but I just wanted to touch on a few.

First of all, you mentioned in your testimony about
Superstorm Sandy and the explosion of scientific research that you
mentioned and about the fact that all these agencies are going to be
coordinating to try to work together with -- and partner with national
experts, you mentioned. So the question I have is to what degree does
your agency coordinate with State Education? We talk about the
trauma, and we can't belittle it, of the storm. But there's an ongoing
storm in the schools and the need for help, whether it's counseling and

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a lot of other areas, and that's going on regularly. To what degree does your agency coordinate with State Education to address the trauma of students in schools that actually really need a lot more help in the areas that you address?

ACTING COMMISSIONER POOLE: Yes. So actually, Senator, that's the very kind of issue that brought us to bringing State Education Department to the table. We're very early on in our work. We actually just held our well-being convening in Albany, it was about two weeks ago; we had about 50 representatives, seven State agencies, the national experts that we're working with from Chapin Hall, the University of Chicago, a number of pediatricians and we were very pleased to see that there was representation and interest, genuine interest by the State Education Department. So I think what you describe, Senator, are exactly the kinds of questions and issues we want to be working toward together.

SENATOR FELDER: Right. And I appreciate that. I would just say, is that, that, unfortunately, when the cases come to your agency, you're trying to fix something very often that's broken already. And the more energy and the more resources that are placed both by your agency and State Education to children and families when they're younger and there's a better opportunity to address it early on, so that would be greatly appreciated.

I also wanted to say that it's wonderful that your former Commissioner is now the Commissioner in New York City, because I was told by colleagues that there would be a regular

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question and answer where the answer was that the New York City Commissioner has to handle it. So, we're delighted now that we have you here and your predecessor at New York City will be able to answer those questions.

Just a quick one on the contact center that was talked about last year. Do you have any -- is it up and running? And do you have any idea of how many employees are there? How many calls they're getting?

ACTING COMMISSIONER POOLE: Yes, that's certainly a good-news story, Senator. Our health coordinated consolidated call center is alive and well in Schenectady. We are answering level one, so it's primarily information and referral calls for seven State agencies. At this particular point in time, we've exceeded answering our 100,000 call a couple of months ago, and, you know, they recently did a survey of our other State agency partner customers and received very positive feedback about the time it took to answer the call and the quality of the information that was provided on the other end. So I think it's has been a very, very positive initiative.

SENATOR FELDER: Can you please -- thank you. Can you just please take me through the 211 Call Center, right? Is that separate from your center?

ACTING COMMISSIONER POOLE: Yes.

SENATOR FELDER: And when they call 211 when they're having a crisis or something like that -- because I would assume that not everyone has this number, right? The central number.

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The 211 number, how -- how does that -- what does that have to do with your call center, if anything?

ACTING COMMISSIONER POOLE: I don't think they're related at all, Senator.

SENATOR FELDER: So somebody in the State is having some sort of crisis and they don't have the phone number -- this central phone number, right? How do they get in touch with you?

ACTING COMMISSIONER POOLE: You know, Senator --

SENATOR FELDER: Or how would it be directed --

ACTING COMMISSIONER POOLE: -- that's a great question, and I'm embarrassed, I don't know the number, but I'll certainly find that information for you.

SENATOR FELDER: I'm -- I'm just suggesting and -- suggesting, and this doesn't relate to your agency specifically, but in the City, the 311 number -- obviously, if it's a life and death emergency they call 911. But the 311 number in the City sort of directs people to the specific agencies that they think should address that question, and this way people have one number that they can call when they're having -- when they need help.

So even if there's a specific hotline, I don't know if feel people necessarily write down a specific hotline number, and then they have to look for it.

ACTING COMMISSIONER POOLE: Yes, and I don't want to misspeak or provide you with bad information, Senator,

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but I will commit to getting that information to you.

SENATOR FELDER: Yes, appreciate it. Thank you very much for being here.

ACTING COMMISSIONER POOLE: You're welcome.

CHAIRMAN FARRELL: Is that it?

CHAIRMAN DEFRANCISCO: Thank you very much.

ACTING COMMISSIONER POOLE: Thank you.

CHAIRMAN FARRELL: Thank you.

Kristin Proud, Commissioner, New York State Office of Temporary and Disability Assistance.

Good afternoon.

COMMISSIONER KRISTIN PROUD: Good afternoon Chairman Farrell, Chairman DeFrancisco, members of the Senate and Assembly Fiscal Committees and members of the Senate and Assembly Social Services Committees, including Assembly Social Services Chair Titus. Thank you very much for the opportunity again to appear before you this afternoon to discuss the State Fiscal Year 2014-15 Executive Budget as it relates to the Office of Temporary and Disability Assistance.

The Executive Budget submitted by the Governor for State Fiscal Year 2014-15 will support OTDA's core mission of enhancing the economic security of low-income working families, assisting individuals with entry into the workforce, providing

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necessary benefits and services to the State's most vulnerable residents to help them achieve and maintain stability, enhancing child well-being and reducing child poverty in New York State.

In recognition of the importance of stable, safe and affordable housing for public assistance recipients and low-income households in all regions of the State, the Executive Budget increases funding for the Homeless Housing and Assistance Program, or HHAP, from \$30 million in the current Fiscal Year to \$63 million in State Fiscal Year 2014-15. Permanent housing for homeless families and individuals, especially those who are currently living in shelters, will continue to be a focus of this funding, which is projected to support approximately 1,030 new units of housing.

In order to reduce homelessness, the provision of affordable, appropriate housing for individuals and families at risk must be coupled with services and supports needed to reduce evictions, ensure housing retention and assist individuals and families towards self-sufficiency. In recognition of that need, the State Fiscal Year 2014-15 Executive Budget maintains the homeless services appropriation at \$30.28 million. These funds will support the continuation of streamlined homeless services programs administered by OTDA and delivered by not-for-profit organizations in communities across the State.

The State Fiscal Year 2014-15 Executive Budget develops innovative programs to achieve better human services outcomes while saving taxpayer money. The budget proposes to

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increase the utilization of the innovative Pay for Success public/private partnership contract model to attract private funding for preventative programming. It increases the utilization of this innovative structure from the \$30 million authorized in the 2013-14 Enacted Budget to a total of \$125 million, and includes solutions to reduce homelessness as one of the Pay for Success initiative areas.

Addressing the issue of food insecurity remains a priority of the Governor. As of the end of 2013, the Supplemental Nutrition Assistance Program, or SNAP, formerly known as food stamps, served nearly 3.2 million New Yorkers. Since the SNAP caseload began rising after July, 2007, the number of SNAP recipients has increased by 1.4 million or 76 percent in New York State. A total of \$5.6 billion in Federal SNAP benefits were issued in New York State last year.

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, or NOEP. From July, 2012 through June, 2013, over 70,000 SNAP benefit eligibility pre-screenings were performed under the NOEP contract, resulting in 32,100 households approved for SNAP and translating to over \$79 million in Federal SNAP benefits coming into those households. The State Fiscal Year 2014-15 Executive Budget continues to provide \$2 million for food banks to supplement funding provided by the New York State Department of Health through the Hunger Prevention and

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Nutrition Assistance Program.

The *myBenefits* Internet portal, which is found at www.myBenefits.ny.gov, provides New York State's families and community partners with the opportunity to connect with benefits, services and work supports online. This web portal, which is currently available in eight languages, 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 households. In 2013 alone, there were nearly 211 pre-screenings -- I'm sorry, 211,000 pre-screenings completed via *myBenefits*, bringing the total number of completed pre-screenings since the inception of the *myBenefits* web portal nearly six years ago to over 1.1 million. Households can file SNAP applications entirely online, and households outside of New York City can apply for HEAP benefits via *myBenefits*. In January 2013, 16 social services districts began participating in a new *myBenefits* initiative to allow public assistance recipients to recertify for benefits online.

OTDA, in partnership with the 58 local social services districts, helps low-income individuals and families address emergency financial situations and meet ongoing basic needs while simultaneously providing the supportive services necessary to promote self-sufficiency. At the end of calendar year 2013, 566,424 persons received public assistance through New York's Family Assistance and Safety Net Assistance programs.

Federal Temporary Assistance for Needy Families, or

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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 \$214 million in contingency funds in Federal Fiscal Year 2014, in addition to the \$2.443 billion annual TANF block grant allocation received in New York State.

To comply with Federal law, states must have policies and practices to prevent TANF benefits in the form of electronic benefits transfer, or EBT cards from being used by recipients in liquor stores, casinos, gaming establishments or adult-oriented entertainment establishments. New York State is undertaking a multi-pronged approach to meet the Federal requirements and to ensure that public assistance is used as intended.

I am pleased to report that the Executive Budget includes \$27.5 million in TANF appropriations for the Summer Youth Employment Program in State Fiscal Year 2014-15. This is a \$2.5 million increase over the current year funding and this will enable the program to continue at the same level of services with an increase in the minimum wage that took effect December 31st. This is an important program that provides low-income youth participants across the State with immediate and long-term benefits from positive work experiences. With the \$25 million that was available in the summer of 2013, the program was able to provide jobs for close to 18,000 low-income youth.

Another key component of OTDA's commitment to

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families and children is the Child Support Enforcement Program. In collaboration with our partners in the 58 local social services districts, in 2013, the Child Support Enforcement Program provided services to 945,000 families in New York State and collected over \$1.8 billion in child support payments on behalf of custodial parents and their children.

OTDA is moving forward with the design and development phases required to implement the State takeover of administration of the Supplemental Security Income, or SSI, State Supplementation Program from the Federal Social Security Administration. This was authorized in the 2012-13 Enacted Budget. Currently, the State pays the Federal Government \$11.32 per individual benefit issuance for SSI supplemental payments. By administering this program directly, the State is projected to save approximately \$90 million per year when the takeover is implemented. We are on track to meet the goal of full implementation in October, 2014.

So in summary this afternoon, OTDA is committed to working with the Governor and with all of you to continue to transform New York State into a State that can once again be rightly called the Empire State.

I thank you for the opportunity to testify today, and I welcome your questions as well as your comments. Thank you.

CHAIRMAN FARRELL: Thank you very much.

First to question, Assemblywoman Titus.

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ASSEMBLYWOMAN TITUS: Thank you, Commissioner. I want to bring your attention, I guess to our Article 7 language that the Governor has proposed with regards to sanctions using the EBT card. Of course we want to prohibit unlawful use in our State. And I believe that since the Federal government has requested this of the states in 2011, the State has asked the Gaming Commission to ban certain numbers of EBT cards in entities that allow gambling, and they've complied. The Lottery did the same with respect to video gaming and I believe earlier this year, the State also asked the State Liquor Authority to notify licensees about their ability to also block EBT cards. It's my understanding that the Federal requirements related to the EBT use does not require the sanctioning of recipients for improper use of the EBT card, nor is there any requirement for any statutory changes. Do you believe the proposal put forth by the Executive which would limit the use of EBT cards at ATMs and point of sale devices is justified, given the fairly limited scope of the Federal requirement?

COMMISSIONER PROUD: Well, the Middle Class Tax Relief and Job Creation Act of 2012, which is the law that was enacted in Washington, requires states to report to the Secretary of the Department of Health and Human Services later this month, actually, as to what policies and practices a state has put in place to prevent Federal TANF benefits from being accessed in any electronic benefits transaction in the venues that I listed in my testimony. The U.S. Department of Health and Human Services has not yet issued

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regulations related to what they will deem to be sufficient to ensure that a state has adequate policies and practices in place. You are correct that OTDA has taken a number of steps administratively over the past couple of years since enactment of this Federal law to ensure that venues that are restricted venues under the Federal law are not accepting EBT cards. At this point in time, those restrictions are being voluntarily complied with by the venues at the direction of what is now the Gaming Commission, formerly the Racing and Wagering Commission -- Racing and Wagering Board, and the Lottery Division. But those are voluntary compliance measures right now. And as you also rightly stated, the State Liquor Authority has recently issued an advisory directing its liquor stores to do likewise.

What the Article 7 language will do is really two-fold: One, it will provide enforcement authority for the Gaming Commission, as well as the State Liquor Authority, to be able to enforce the restrictions that it asked those venues to voluntarily comply with; and the second piece will ensure that clients understand that they also have an obligation not to use, or attempt to use, their EBT cards in these restricted venues, whether it be for accessing family assistance benefits which are paid for by Federal TANF dollars, or accessing Safety Net Assistance benefits, which the Federal law does not address since the Federal government does not pay a financial share of the State's Safety Net Assistance Program.

So we believe that the administrative actions already taken by OTDA with its partner agencies, as well as the measures and

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provisions proposed in the Article 7 Bill will place us in good standing with HHS to report on what our policies and practices are to make sure that we are in compliance with the Federal law.

We believe it's particularly important to ensure compliance with the Federal law, given that there is a risk of sanction from U.S. Department of Health and Human Services, that can 5 percent of a state's annual TANF block grant allocation.

ASSEMBLYWOMAN TITUS: Thank you, Commissioner. But just for the record, you have said that thus far there has been no merchant that hasn't really been compliant to your request, to the Agency's request.

COMMISSIONER PROUD: We are not aware of merchant's -- it's not actually not merchants, it would be venues under the authority of the Gaming Commission or the State Liquor Authority, who have not complied. But were such a venue to be discovered, we would need the Article 7 authority for our partner agencies, the Gaming Commission and the State Liquor Authority in order for those agencies to be able to take action to either suspend, cancel or revoke licensure of those venues that are not in compliance.

ASSEMBLYWOMAN TITUS: Okay. I would just hope that we could, you know, work universally, so that we wouldn't have to impose the sanctions if, in fact, there is compliance thus far.

COMMISSIONER PROUD: It would be our hope that recipients wouldn't use their EBT cards in those venues, and therefore, as you said, there would be no need for that provision of the

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Article 7 bill to actually be implemented in practice and to actually sanction a client. As long as clients are not using their benefit cards in these venues and these venues are not accepting the EBT cards, and that's a simple -- relatively simple electronic mechanism to block the State's banking identification number, then the cards are not accessible in those venues.

ASSEMBLYWOMAN TITUS: Thank you,
Commissioner.

CHAIRMAN FARRELL: Thank you.
Senator.

CHAIRMAN DEFRANCISCO: Senator
Montgomery.

SENATOR MONTGOMERY: Hello,
Commissioner.

COMMISSIONER PROUD: Senator.

SENATOR MONTGOMERY: First of all, I want to start by thanking you, you came to the district a few years ago to look at one of the family shelters in Brooklyn, and although there haven't been too many improvements, at least your coming was a signal that you really care, and I appreciate that.

I just wanted to ask you, you talk about the importance for affordable housing, which certainly is a big part of our need there in my district and in the borough and in the City, affordable housing for especially the people -- the low-income households that we don't often hear about. With the increase from \$30 million to the

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\$63 million, I'm just curious, how does that work? Are you going to be working with local not-for-profit housing organizations, or just how do you intend to implement that part of your plan?

COMMISSIONER PROUD: The Homeless Housing Assistance Program, which is the program you referred to that is proposed by the Governor to receive an increased funding level in 2014-15 to a total of \$63 million, I'm particularly excited about. I Chair the Homeless Housing Assistance Corporation, which, with OTDA, oversees and administers the HHAP program. It is a funding source that is disbursed to communities throughout the State via a competitive request for proposals process. We intend to issue the new RFP quickly after the enactment of, hopefully, another timely budget this year, so that we can begin to get those applications in, get them evaluated and to select the applications that we think are the most viable. They typically are either from not-for-profit providers solely, or they're from a combination of not-for-profit providers working with housing developers, and that's more common particularly in the New York City area, where there are just a lot of additional challenges to construction work.

But the not-for-profits, as you said, are absolutely key to HHAP both in the creation of the applications and the concepts, really, to bring more supportive housing units to various communities and then in operating those housing units once the construction phase is completed.

SENATOR MONTGOMERY: Well, that's very,

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very exciting, one of the ways that we can be more successful in having communities adopt and appreciate affordable housing or low-income housing, if it's support housing -- supported housing. So that's helpful.

I wanted to just ask you related to that, hopefully, the -- you talk about innovative Pay For Success. How exactly does that work?

COMMISSIONER PROUD: Pay For Success is New York's name for what is essentially a social impact bond model. And that is a model where -- and again, it's through a competitive proposal process, an organization -- last year we had the experience in New York of doing this for the first time and what we found is that it's typically not-for-profit providers, service providers of human services programs, that work with fiscal intermediaries. And those fiscal intermediaries help to attract private dollars to invest in preventive programs that will help save taxpayer dollars, as well as returning good programmatic outcomes for the clients served; and then over a period of years, depending on how the particular contract is structured, those private investors receive a repayment of their invested dollars, as well as, again, depending on how the contract is structured, some potential return on investment.

But the whole idea that it's performance-based, so the program concept that is included in the application has to test out in reality and in practice, and then based on those experiences, there's a required independent evaluation component and then the dollars begin

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to get returned on there. And so that's why we need the State appropriation, to show the commitment to the private investors that several years down the road, repayment of their investment would be possible if the program outcomes are deemed to be have been achieved by the independent evaluation. And I'm particularly delighted to say that in this year's Executive Budget for 2014-15, in addition to the programatic purposes that were delineated in the enacted 2013-14 Budget, the strategies to reduce homelessness category is included.

SENATOR MONTGOMERY: So the wealthy people can buy into -- can invest in poor people if they do better, and they will then be repaid with a -- with an interest on their investment?

COMMISSIONER PROUD: I'm not --

SENATOR MONTGOMERY: Is that sort of how --

COMMISSIONER PROUD: -- quite --

SENATOR MONTGOMERY: -- it works, in a way?
That's how I'm understanding it. If --

COMMISSIONER PROUD: I'm not quite sure I would articulate it that way.

SENATOR MONTGOMERY: Exactly.

COMMISSIONER PROUD: The idea is there are a number of programs, many programs that all of you in your careers have supported, some of you have started programs, that are really preventive service oriented, but because of the tight budgets that have been have become a reality of the fiscal environment, not only in New

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York State, but in states across the country, this is an innovative model that can attract private investment dollars, it may be from philanthropic organizations, foundations, private foundations, it may be from businesses and corporations, and that has been some of the experience to date, where investors are willing to invest dollars in programmatic models that they either think work, or are interested in funding to test to see if they can be proven to demonstrate their viability. And so, yes, the investors take a chance on those programs and services. Public health programs, child welfare programs, and this year, in addition to re-entry homeless -- reducing homelessness, are all categories that we would like to entertain proposals on going forward.

SENATOR MONTGOMERY: Generally, it's my understanding that if the State or the government invests in something that yields a savings, we take the savings and reinvest it in our citizenry and in programs for people, rather than having wealthy people invest. And they benefit from the savings, because we do a good job with the money that we put into it.

COMMISSIONER PROUD: Right. But we do --

SENATOR MONTGOMERY: But, in any case, I'll be very interested in seeing just how that works.

And also if I could get from you exactly where we're spending the HHAP funds, in terms of -- if it's -- if I'm seeing it in my own district, I'm going to be much happier than if it just only goes to certain parts of the State. Other than where, I view, it's most needed.

COMMISSIONER PROUD: We can certainly

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provide that to you for the --

SENATOR MONTGOMERY: Thank you.

COMMISSIONER PROUD: -- projects that have been funded with the 2013-14 HHAP funds. And as I said, going forward, the 2014-15 HHAP dollars would be issued through a competitive RFP process.

SENATOR MONTGOMERY: Absolutely. Okay. Thank you.

COMMISSIONER PROUD: You're welcome.

CHAIRMAN FARRELL: Thank you.

Assemblywoman Lupardo.

ASSEMBLYWOMAN LUPARDO: Yes. Thank you, Mr. Chairman.

Hello. Just a couple of quick questions. I'm trying to rectify a conversation I recently had with Commissioner Chong from the New York City Department of Youth and Community Development. He claims that he's going to be short 3,700 slots in the Summer Youth Employment Program and claimed that we needed more like \$10 million to make up for the increase in the minimum wage. Can you help me understand the difference between your testimony and what he's telling me?

COMMISSIONER PROUD: The funding that I described here, the \$27.5 million that's proposed by the Governor in the State Fiscal Year of 2014-15 Executive Budget are the State dollars for summer youth employment; but in many communities

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across the State, and New York City in particular through DYCD, as you mentioned, the City also provides City dollars, and so I think it would be reasonable to suggest that there would be need to be an increase, if the City's desire is to keep the number of slots level from Summer of 2013 to summer 2014, just as the Governor has proposed with the State appropriation increase to cover the minimum wage increase that took effect December 31st, 2013, the City may need to look at providing additional City dollars to be able to keep the slots funded with City-money level year to year as well.

ASSEMBLYWOMAN LUPARDO: Can you just explain a little bit further how those dollars are distributed Upstate, Downstate --

COMMISSIONER PROUD: Right --

ASSEMBLYWOMAN LUPARDO: -- I understand what you said about the City putting in additional dollars, but is there a variation in the way it is administered in Upstate?

COMMISSIONER PROUD: Right. Well, it's, I think, a little bit premature to talk about how we might allocate the 2014-15 appropriation, since we don't yet have it. But I can tell you that with regard to the State Fiscal Year 2014 Summer Youth Employment funding, 80 percent of each local social services district's allocation was based on its prior year Summer Youth Employment allocation, and then the balance, the 20 percent, was distributed base on each district's share of the Statewide number of youth aged 14 to 20 years of age who live in households with incomes under 200 percent

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of the Federal poverty level. So that's how it was done in the current year for this past summer.

ASSEMBLYWOMAN LUPARDO: Okay. I don't mean to put you on the spot, but I guess I'd like to ask you how the Department views the kinship care program. And it's something that's been in place for a long time, the funding gets cut, we put it back in, how do you see that program?

COMMISSIONER PROUD: Right. OTDA's role with regard to kincare really is to, through its local social services district partners, ensure that family members who are taking care of their relative's children are aware of the potential availability for their household of what's called a "child only" grant, which is a public assistance grant, TANF grant, that is for only the child relative who's being cared for in the household. With regard to the broader supports and services for kincare-givers, with all due respect, I think that's probably a better asked of my OCFS colleague, Acting Commissioner Poole.

ASSEMBLYWOMAN LUPARDO: Okay.

COMMISSIONER PROUD: But I can tell you that OCFS and OTDA are very active together with the social services districts around encouraging both kinship care arrangements and making sure that kincare-givers are aware of various assistance -- forms of assistance, like the one that I described, as well as supports and services. And, in fact, Commissioner Poole and I were with the County Social Services Commissioners for a good part of last week at

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their winter conference, and I raised this subject as well, really encouraging the local commissioners, particularly in smaller counties where they may not have specialist public assistance staff, but they may have staff who are generals who work with a variety of types of households, families, single individuals, childless couples, to make sure that their staff are aware of this possibility of Child Only case in certain kinship arrangements.

ASSEMBLYWOMAN LUPARDO: I guess I view the kinship program as a primary way of preventing foster care placements, and I was just curious if you also see it that way.

COMMISSIONER PROUD: We do, and it's why OTDA has taken a role with OCFS, and we'll actually be doing a training session for local social services district workers coming up in a couple of weeks, by teleconference to avoid the cost of bringing them all to Albany and interrupting their work schedules and taking them away from their clients, but we will be doing an afternoon with the direct care workers, the eligibility workers and other local social services district workers to make sure that they understand the array of supports and services and benefits that could be options for families that are in kincare arrangements.

ASSEMBLYWOMAN LUPARDO: Thank you.

CHAIRMAN FARRELL: Thank you.

Senator.

CHAIRMAN DEFRANCISCO: Senator Squadron.

SENATOR SQUADRON: Thank you, Chairman.

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And thank you very much, Commissioner, it's good to see you. And I'm glad that we've -- that Senator Montgomery and others talked about homelessness, and that you put it so high in your testimony as well, I think it accurately reflects what really, at least in my home city of New York City is really a -- a screaming crisis right now. I just want to talk a little bit about this because -- just so I -- HHAP program is a capital program, a program to build new units over time. In New York City, and I think one of the real challenges is, you have a shelter population that's just -- you know, is up 25, 29 percent over the last couple of years. It's at record high levels; over 50,000 people in the shelter system, more than 20,000 kids, record numbers.

And, obviously, the shelter reimbursement costs are very, very high; in fact, since the Advantage Housing Program was ended by the State a couple of years ago, we've seen that kind of increase. And that was about \$35 million, was the State's share of that program. And that was, you know, a direct annual subsidy program to keep people in permanent housing. What programs or funding exists since then to make up for that cut to help New York City deal with this extraordinarily high shelter cost or housing subsidy costs in order to bring down the shelter population.

COMMISSIONER PROUD: All right. Well, as I said earlier in my testimony, the Executive Budget proposes a total of \$30.28 million to support essentially three programs that in different ways address homelessness. The first is a Solution to End Homeless

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Program, or STEHP. This program provides for homelessness prevention and eviction prevention, as well as housing for persons who have lost their housing arrangements. We also have the New York State Supportive Housing Program, or NYSSHP. This provides supportive services to increase housing retention in supportive housing programs for both homeless individuals and homeless families. And then there is the Operational Support for AIDS Housing Program, which provides operating and support services funding for HHAP funded projects in which individuals living with HIV or AIDS reside.

So those are OTDA's primary mechanisms, and those are essentially offered to communities throughout the State via contracts --

SENATOR SQUADRON: Thank you. Thank you. I had --

COMMISSIONER PROUD: -- with not-for-profit partners. And we also have the FEPS program in New York City, which is the Family Eviction Prevention Program. And over the last couple of years, since the end of the Advantage Program, OTDA has expedited FEPS applications to ensure that families who apply for FEPS can receive their assistance on a more timely basis.

SENATOR SQUADRON: Thank you. And, of course, those first two programs are not either shelter reimbursement or housing subsidy reimburse --

COMMISSIONER PROUD: They're in addition to

shelter reimbursement that we provide.

SENATOR SQUADRON: Or housing subsidy reimbursement. But I'm glad you mentioned the second two, because they are, in fact, they are exceptions to a rule that was put in place at the time that Advantage was killed, which was that New York City, in fact, can't get reimbursement for housing subsidy. And I notice that even in this year's proposed budget that language continues. And I just -- I sort of wonder why -- why we would maintain language preventing New York City from getting approval -- excuse me, from getting dollars for housing subsidy reimbursement, since, even under the old system, without this language, both your approval and -- the Commissioner, and the head of the Division of Budget would have been required, or are required.

COMMISSIONER PROUD: Right. There -- there's nothing in the language that is different, either from the enact -- current year enacted budget language, or anything that would prevent New York City from starting with its own funding a rent subsidy program, if that were the path that the new Administration found viable.

SENATOR SQUADRON: But it would prevent the administration, the State administration from approving any State share of a housing subsidy program. You, as a Commissioner --

COMMISSIONER PROUD: There is --

SENATOR SQUADRON: -- of OTDA, and the -- a head of the Department -- Division of Budget would be prevented

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from approving any State help for a City housing subsidy program because of this language, which was in last year's budget, but was created at the time Advantage was killed; is that correct?

COMMISSIONER PROUD: There's no proposed State appropriation for a rental subsidy program in this budget.

SENATOR SQUADRON: And -- but, for example, the adult shelter reimbursement, which is exactly the same as it was at the time Advantage existed, \$69 million, could none of that be used for housing subsidy program if that language is maintained?

COMMISSIONER PROUD: That's for reimbursement of adult shelters.

SENATOR SQUADRON: Right. I --

COMMISSIONER PROUD: And as I said, this language to which I believe you're referring, is the same language that is contained in the State Fiscal Year '13-'14 enacted Budget.

SENATOR SQUADRON: Right. That's right. It was a -- I believe it was also in the '12-'13 enacted Budget --

COMMISSIONER PROUD: Right.

SENATOR SQUADRON: -- because that was the year that Advantage went to zero, and this was put in so that the State would no longer have any share of what existed on Advantage. It didn't exist in, for example, the '10-'11 enacted Budget, when there was also \$35 million --

COMMISSIONER PROUD: Right.

SENATOR SQUADRON: -- for Advantage. And

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the new Mayor has indicated that he's interested in creating a housing subsidy program solves a lot of the problems that Advantage did, and presumably, would like some State share, either out of the adult shelter reimbursement, or some other funding stream with State partnership, with the approval of yourself and the head of the Division of Budget, this would prevent that from happening. Which, I think, when you look at the crisis in New York City, is -- is highly concerning, and a little surprising.

But you also mentioned, and I appreciate that you did, the HIV/AIDS shelter reimbursement. Where, again, the new Mayor has indicated an interest in changing the formula, by which this has happened. This is a bill that's passed Legislature, it's been vetoed in the past. As I read the legislation -- for proposed budget, just to be clear, the change that has been indicated, which is a 30 percent income cap for shelter costs, that the State would pick up -- would be able to pick up its 29 percent share of that program, just as it does of the current -- of the program unchanged. Is that your reading of the law as well -- of the proposed budget?

COMMISSIONER PROUD: There is no provision in the Executive Budget that addresses that specific issue at this time.

SENATOR SQUADRON: I don't understand what you mean -- I mean, it's in the Executive Budget to reimburse for that program.

COMMISSIONER PROUD: What we -- we --

SENATOR SQUADRON: As it currently exists.

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COMMISSIONER PROUD: Correct. But if you're asking about a 30 percent cap on the amount of income to be contributed toward rent, if that's the issue that you're asking about, that is not contained in the Executive Budget.

SENATOR SQUADRON: No, no. But, "The funds appropriated herein shall reimburse 29 percent of Safety Net Assistance expenditures for emergencies..." et cetera, et cetera, "for this program --

CHAIRMAN DEFRANCISCO: Excuse me, Senator, the stenographer has to actually type what you're saying, so can you slow down just a bit, because --

SENATOR SQUADRON: Thank you very much. And I know I'm out of time, so I'll -- I'll do this and finish. And I thank you, Chairman --

COMMISSIONER PROUD: Senator, perhaps I'll follow up with you off line, if that was --

SENATOR SQUADRON: No, I just -- I'd actually just would love this, very briefly, which is, as I read the proposed language which is also the existing enacted language, for this program, the change that the Mayor has proposed, which is a 30 percent cap, would still be reimbursed by the State at the same level as the program as the City has it today, at 29 percent, and I just want to make sure that you read the proposed budget language the same way I do.

COMMISSIONER PROUD: I'd like to go back and take a look at the exact language to which you're referring, but I can

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tell you the shares of Safety Net Assistance in '14 -'15 Executive Budget are not proposed to change. So, the overall shares of Safety Net Assistance, which is a form of public assistance for households not eligible for Federal TANF-funded assistance, would be continued at 29 percent State share, 71 percent local share.

SENATOR SQUADRON: Great. Thank you very much. I appreciate you addressing that.

Thank you, Mr. Chairman.

CHAIRMAN FARRELL: Thank you.

Assemblywoman Millman.

ASSEMBLYWOMAN JOAN MILLMAN: Thank you, Mr. Chairman, for keeping things in Brooklyn, I see, as we move from one part to the other.

Welcome, Commissioner. Just something that -- I plan to bring this up again with our next Commissioner who's --

I'm on now? Yes.

CHAIRMAN FARRELL: Yes.

ASSEMBLYWOMAN MILLMAN: Yes, that's much better. I can hear the echo, even, now. And I couldn't hear it before.

I'm pleased that the Governor proposes to continue funding to assist households so they can receive SNAP, but we know that many of these households are headed by senior citizens. And I know anecdotally, and we know Statewide, that many of our seniors don't even know that they're eligible for SNAP benefits. And so a lot

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of them make decisions on a daily basis whether to eat nutritious meal or pay a utility bill or some other kind of bill. And I know that the budget proposes new funding to local and area agencies to offer technical advice. And in your testimony you talked about websites, which are certainly wonderful, but so many of our seniors don't have access to websites, and so we see, particularly in a city the size of New York, many of our seniors, not knowing, one, that they're eligible, and not knowing how to get access to that information, we sometimes pick them up at local senior centers because in conversation we realize that they're depending solely on one nutritional meal that they can get for a small amount of money.

So my question really is, this new program, which is going to give some money, I think it's \$250,000, to agencies across the State, have we identified those agencies? Do you know anything about it? Is it something that you could work with the Department of Aging to get a better unified approach to this problem?

COMMISSIONER PROUD: OTDA works closely with a number of agencies at the State level, as well as the local level, and not-for-profit partners across the State through Nutrition Outreach and Education, or NOEP program. I'm going to let my colleague, Corinda Crossdale, the Acting Director of the State Office for the Aging address your specific question, Assemblymember, since that appropriation is in the SOFA budget.

But I do want to take just a moment to talk about some of the outreach efforts that OTDA and its partner entities

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undertake on a regular basis to try to reach seniors as well as other populations who may not be receiving the SNAP benefits to which they are entitled. Certainly, as you point out, many seniors may either not have a computer, or may not feel savvy enough to go surf the World Wide Web to get to the *myBenefits* portal. And one of the great things about *myBenefits* is that not only is it a tool that individuals can use to do their own pre-eligibility screening, but we also have many partners and community action agencies and not-for-profit organizations of various types, including senior centers around the State that do have computers available in their spaces where seniors congregate. Those computers are available for a whole host of purposes: Continuing learning opportunities, tax filing assistance, all kind of things.

And many of those community partners do have staff and volunteers that will assist seniors in going to the *myBenefits* site and helping them to navigate the site, which is quite user friendly and available in eight languages, to be able to look at the array of public benefits and service programs for which they may be eligible, to complete a pre-screening, and then to list what documentation they would need to be able to follow up with a full application, if that's what they choose to do.

ASSEMBLYWOMAN MILLMAN: Well, that's certainly a good way to access the computer and help our seniors with the computer, or anybody else who doesn't have computer skills. One of the, in a city the size of New York, and I'm sure this is true for

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cities throughout the State, that libraries serve that function, as well. And I'm wondering if there's been any outreach to library systems throughout the State to let them be aware that this portal exists, and how helpful it could be.

COMMISSIONER PROUD: There has been some outreach in that regard. The other outreach that we've been doing the last couple of years is with the Food Industry Alliance, which represents a whole host of food retailers of various sizes across the State. And in conjunction with the Nutrition Outreach and Education Program providers, in various communities, we've actually gotten NOEP staff to go into various food retail locations, grocery stores, those kinds of places, set up computer kiosks on a temporary basis, interface with customers as they're coming in the door, and introduce them both to SNAP and to *myBenefits* right in the grocery stores.

ASSEMBLYWOMAN MILLMAN: At some point could you make some of that information available to me --

COMMISSIONER PROUD: Sure.

ASSEMBLYWOMAN MILLMAN: -- you know, like locally, in the County of Kings where that's taking place --

COMMISSIONER PROUD: Sure.

ASSEMBLYWOMAN MILLMAN: -- so that all -- and to other sections, as well, of the State, because that would be a wonderful -- that's where people go to shop, so that's where -- it's perfect place for them to access this information. Thank you so much.

COMMISSIONER PROUD: You're welcome.

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CHAIRMAN DEFRANCISCO: Senator Krueger.

SENATOR KRUEGER: Thank you.

Hello, Commissioner.

COMMISSIONER PROUD: Senator.

SENATOR KRUEGER: Just following up on the end of Senator Squadron's last question, I believe the point, and I believe you answered it, yes, if we pass a law that increases the amount of money available to people who are receiving HIV benefits, that the State would have to continue to pay 29 percent, even if it was of a greater amount. I think that was the answer.

COMMISSIONER PROUD: Correct. If such legislation were enacted.

SENATOR KRUEGER: Fine. Thank you.

In your testimony, you talk about increasing summer youth employment by two-and-a-half-million, and you state that that will be enough to make up for the increased costs from a higher minimum wage --

COMMISSIONER PROUD: Correct.

SENATOR KRUEGER: -- so that the same number of young people can be served. But the advocates seem to be already running around saying they need \$7 million because of the increase of minimum wage on their program, or the impact. Do you know where that discrepancy is from?

COMMISSIONER PROUD: I have not heard that directly, Senator. I am quite confident in the ability of our Division of

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Budget staff to calculate the impact of the minimum wage increase that has already taken place, the phase one that took place December 31st, on the State funding portion of Summer Youth Employment Program. But as I had indicated earlier, a number of localities including the New York City Department of Youth and Community Development, add other funding sources to enhance the available dollars for summer youth employment in their communities. And so it may be the advocates are looking at that larger number of slots and the larger funding streams that other communities bring to bear in addition to the State dollars and calculating from there, but that's only speculation on my part.

SENATOR KRUEGER: Okay. Thank you. We'll have to ask them.

You talked about SNAP and expansion of efforts, and some successful models for helping people to recertify and go online to apply, and investment in the NOEP program. All good. The U.S. Senate may, in fact, be, as we speak passing, or may have already passed a farm bill, with some fairly disturbing impacts on food stamps. My understanding was the version that they could be passing would be an \$8 billion cut to food stamps, with 25 percent of the hit being here in New York. Has your Department estimated what loss in food stamps we would be taking under this bill?

COMMISSIONER PROUD: We're analyzing the potential impact of the -- what seems to be the latest, and perhaps final version of the farm bill. The \$8 billion to which you referred is our

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understanding over a ten-year period, the total amount of reduction in the SNAP portion of the nutrition title of the farm bill. And so, as I said, we are analyzing the potential impact on New Yorkers at this time.

SENATOR KRUEGER: And, again, if this version passes and is signed by the President, is it your understanding there is any way for us to try to minimize the formula cuts in food stamps by adjusting how we use our HEAP program funds, because of the way HEAP will be calculated as housing costs within a Food Stamp budget, which is way too technical, but you know what I mean.

COMMISSIONER PROUD: Right. We would certainly look at options. I think one of the important aspects to keep in mind is that, you know, the farm bill is a piece of legislation likely soon -- very soon to be enacted and -- into law. But the Department of Agriculture, the U.S Department of Agriculture, will need to promulgate regulations on the various provisions and all of the various changes, and we would certainly be looking at what those regulations say in terms of what options may be available in New York State.

SENATOR KRUEGER: Thank you.

You have a proposal in the budget that changes the way the State relates to the counties, there are a number of fair hearings, or, hopefully, decreasing the need for as many fair hearings when an agency realizes that they didn't have the basis to take the action in the first place. So, I think I understand that. But there's another section of the budget that came up yesterday in the Health

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Care Hearing that would allow the State to contract out Medicaid fair hearings. And I'm just wondering what your understanding of that is, and what you think the risks are from doing that.

COMMISSIONER PROUD: I'm not familiar with that particular piece of the Health Department Budget. We are working with the Health Department at OTDA on certain fair hearings related to individuals who may be duly eligible for Medicare and Medicaid. I'm not sure if that's the piece that you're referencing, but I'd be happy to follow up with you to look at that specific provision. And as you said, it came up at the Health Hearing yesterday, so since it's in the Health Department's Budget, I would certainly defer to Dr. Shah and his response to the question.

SENATOR KRUEGER: I would urge you to follow up and get back to us, because I'm very concerned about the due process rights of patients. Often, in a, perhaps in a managed care, or other model, where the determination that they don't need A, B or C services, including home care services, could translate to, in theory, the right to a fair hearing, but no longer a fair hearing, where it was the State government adjudicating the decisions. And so I am very concerned about that.

I have one minute left, too many questions. You reference in the end of your testimony that you're moving along on an important program, taking over the administration of the SSI benefits that we now pay the Federal government \$90 million a year to administer for us. Based on your testimony, halfway through the next

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fiscal year we would take over, and so if we spend \$90 million a year, I'm assuming we'd save \$45 million in the second half of the coming fiscal year. Has that been budgeted back into other social service programs?

COMMISSIONER PROUD: The savings that the State will reap by avoiding the PERB benefit, \$11 -- currently \$11.32, but it escalates every year, that savings is savings that is in the General Fund and, obviously, the General Fund is supporting a whole array of health and human services programs.

SENATOR KRUEGER: But it does not get -- it does not get kept within the OTDA Budget?

COMMISSIONER PROUD: We certainly programmatic increases in various places in the Human Services Budget, whether it's an exact dollar for dollar, this dollar saved here, that dollar there -- I mean, it is part of the State's financial plan, and the General Fund savings, I think are clear and it's why we pursued this legislation, with your support, a couple of years ago. And so the savings accrue to the taxpayers, and then the General Fund supports, as I said, the whole array of Human Services programs.

SENATOR KRUEGER: And my time is up, ma'am. But can you please get back to me with how you spent this year's \$30 million in the Homeless Housing Assistance Program?

COMMISSIONER PROUD: Sure. I can give you a quick overview, if you give me just a minute. This year, as I said, we issued an RFP, an HHAP RFP in April shortly after the Budget was

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enacted. We received 24 applications that were complete. They requested a total of close to \$70 million in funding. We have awarded nine HHAP awards. Some of the applications, although they were complete in terms of checking the list of all the pieces to be -- to be filed, did not score high enough to be considered for funding. The projects that were selected for funding will preserve or create a total of 324 units of housing. That will have 553 beds of supportive housing, and those are in communities across the State. So that's 324 units, and 553 beds of supportive housing.

SENATOR KRUEGER: And that is the full spend-down of the \$30 million?

COMMISSIONER PROUD: There is a very, very short amount remaining, and that could be because it's re-appropriated, added to what we would put an RFP out for in the coming year.

SENATOR KRUEGER: Thank you.

CHAIRMAN DEFRANCISCO: Thank you.

CHAIRMAN FARRELL: Thank you.

Assemblyman Goddell.

ASSEMBLYMAN OAKS: And we've been joined also by Assemblyman Walter.

ASSEMBLYMAN ANDREW GOODELL: Thank you very much for your comments, Commissioner. I'm particularly interested in efforts by OTDA to help move people to self-sufficiency, which obviously is one your five missions, core missions. And, as you know, we've been struggling in Chautauqua County, and as many

counties to increase the Welfare-to-Work participation rates, including both in training programs and job placement. The last step in that process, as you know, is a fair hearing. And last year they were running six to eight weeks behind. What steps are being taken to accelerate the fair hearings, and what kind of delay or average time are you experiencing now?

COMMISSIONER PROUD: I think the delay depends on county. As you know, OTDA has fair hearing officers --

CHAIRMAN DEFRANCISCO: Excuse me. You're starting to fade out, can you --

COMMISSIONER PROUD: OTDA has fair hearing officers who travel around the State to be able to conduct hearings on a regular basis in every county in the State. If an individual requests a fair hearing, for example, in a small county, where the hearing officer has just held hearings, it may be a couple of weeks before a hearing officer would be back there to hear additional hearings. I can tell you that we are moving forward with our efforts on videoconferencing. We expect later this spring, or early in the summer, to be using videoconferencing, and I think that the benefits are several, potentially. And certainly being able to hold hearings even in the more rural counties of the State in a -- in even more expeditious fashion will be a benefit of video hearings. They will be fully interactive hearings, so there's no compromising of any party's due process, be it the County Social Services Department, or the client's rights, because they will, as I said, be fully interactive hearings.

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But it will allow us to be able to hold hearings sort of on a -- on a, you know, even an individual basis. If Chautauqua County, for example, had just one hearing at any given time it needed to be held, it's not particularly economical, frankly, to send the hearing officer to a county when there's one hearing to be held, and so with video hearings, we can schedule those in an even more expeditious way.

ASSEMBLYMAN GOODELL: Yes, I'm looking forward to that, and I think that's a real positive step. As you know, the participation rate right now in the Welfare-to-Work program is running about 32 percent, plus or minus a few percent each month. What is OTDA doing to assist the local social services departments to increase the participation rate? And a corollary, it's my understanding that the Federal minimum rate was supposed to be 50 percent. Are we facing potential sanctions if we don't bring that rate up?

COMMISSIONER PROUD: We not facing potential Federal fiscal sanctions at this time, Assemblyman, because there is what's call a "maintenance of effort credit" essentially, that's not just New York State, but any state can use with regard to its work participation rate. I had a lengthy discussion back in October with all the county social services commissioners around the issue of work participation and work engagement. I think one of things that they brought to our attention, and it's, I think, a dynamic that is occurring in all parts of the State, you know, it is, to some degree a change in the composition of the caseload, and they report that they are seeing more

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and more heads of household on public assistance who really have some significant work limitations, whether it be learning disabilities, mental health conditions, or other issues that make it difficult at that particular moment in time for the head of household to be able to engage in work.

So, you know, part of what we're doing with the counties and with our other partner agencies at the State level, is to ensure the counties have access to the kinds of services and supports that individuals need in order to be able to get stabilized, so that then they can become ready for training or ready for work.

ASSEMBLYMAN GOODELL: Indeed the latest annual report from OTDA indicates that the percentage of people are classified as disabled in the Safety Net Program is running about 58 percent; yet, there's legislation pending that would change the process so that you no longer had independent evaluations done by social services districts in the question involving a dispute over medical disability. Do you believe that the current medical disability evaluations under current law has the right amount of checks and balances? Or do you think that even more people should be classified as disabled? What's your sense on that issue?

COMMISSIONER PROUD: I'd have to get back to you on that. Certainly, the issue of individuals who are deemed unemployable versus work-limited, I think it can be somewhat subjective and, certainly, it is something that each social services district deals with on a case-by-case basis when they are working with

a head of household to try to figure out either what kind of work engagement that may be appropriate for that person at a particular time, or what kind of service treatment or support that individual needs to be able to prepare to get on a path of employment. And, frankly, for some New Yorkers, unfortunately, you know, work may not be in their short, or even perhaps long-term horizon, if they are disabled. And, you know, we do fund programs with our partners in the legal advocacy community to attempt to get individuals who need Federal disability benefits, because they are long-term disabled, to be able to access those benefits. It is not always an easy process to get disability benefits through the Federal Social Security Administration, and so that sort of advocacy is important for those households.

ASSEMBLYMAN GOODELL: And I see you are picking up some additional work on the SSI program, presumably tying into that SSI disability as well, and I appreciate that.

One last question, and I know it's kind of a broad question, so I'd be interested in your ideas after the hearing, as well. But one of the most frustrating things that I've seen, and many of the people, I'm sure, that you deal with see, is the barriers to independence that are created within our system itself. So, for example, if you're below a certain threshold, you're eligible for Medicaid; if you're above it, you get nothing. And I hear it all the time from welfare recipients who want to become independent, who hit a threshold, a barrier, where they can't afford to take a salary increase because they'll lose benefits. What is your Department doing to identify what I might

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refer to as "brick walls" that are trapping people in the system, what are you doing to identify them and are you coming up with legislation designed to minimize or phase out those hurdles?

COMMISSIONER PROUD: Right. Certainly I think with the development of the Health Benefit Exchange in New York State, you know, the issue of being just over the Medicaid eligibility level, and not, perhaps, having employer-based, or employer-sponsored health care, hopefully will be less of an issue for families in New York since New York has been at the forefront of implementing its Health Benefit Exchange. And the OTDA plays a very active role, and our county partners in the social services departments do, as well, in making sure that people are aware of the array of other work supports that are available to them, to show that work really does pay.

I think it's a very timely example to mention the Federal and State earned income tax credits here today, since we are now in the throes of the tax -- income tax filing season. In New York State we -- our residents can take not only the Federal EITC, but a State refundable EITC that is piggy-backed to the Federal credit. Income -- I'm sorry, the EITC benefits vary by income, family size and filing status, but eligible families with three or more qualifying children may receive a maximum EITC benefit of over \$8,000, which is clearly significant. Last year the EITC was claimed by over 1.8 million filers in New York State, and they received nearly \$5 billion in credits. We also have a noncustodial EITC in New York State, which

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is rather unique in the country. The President has mentioned it as something that he's looking at on his national tax agenda. But that's to incentivize our noncustodial parents in New York to get current and stay current in their child support obligations. So, those are examples of other work supports that we have.

SNAP is clearly a work support. You know, the majority, the vast majority of recipients of SNAP benefits in New York State are in households that are working and have income from unsubsidized employment. But that income is not sufficient to meet all of their family's needs, and so SNAP becomes a really big work support as well.

ASSEMBLYMAN GOODELL: Mr. Chairman, I recognize I'm well past my timeframe. And may I do a follow-up --

CHAIRMAN DEFRANCISCO: That's because of her --

ASSEMBLYMAN GOODELL: Or would you like me to wait?

CHAIRMAN DEFRANCISCO: That's because of her thorough answers.

ASSEMBLYMAN GOODELL: It's very much appreciated. May I ask a follow-up question, or would you like me to wait?

CHAIRMAN FARRELL: Come back again.

CHAIRMAN DEFRANCISCO: Come back again tomorrow. Okay?

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Senator Savino.

SENATOR SAVINO: Thank you, Senator DeFrancisco.

And Assemblyman Goodell, I think I may be going down the same road you were, so perhaps --

ASSEMBLYMAN GOODELL: God bless you.

SENATOR SAVINO: -- we'll get the answer here.

Thank you, Commissioner, for all of your responses and your service. You know, I've been around long enough now in government that I remember TANF when it was AFDC; in fact, I -- you know, I started in the basement of an HRA welfare center in Queens, so I've been through -- I remember the days when we talked about changing welfare as we know it and the passage of the Welfare Reform Act of the 1997 and the key elements there were that we were going to not only change welfare as we know it, but we were going to change the dynamic, that public assistance should be more like therapy, short term and goal oriented, right? And towards that end, not just providing a cash replacement for needy families, or even access to Medicaid or access to food stamps, but also providing the supports that make work pay; that if we were going to require people to participate in work fair, which I've never really believed was work, it doesn't really produce enough jobs, and, in fact, it doesn't produce any jobs in some parts of the State, but if we were going to do that, that they were going -- you know, we would require our -- they were "clients," they were "customers," they're "consumers," I don't know

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what we call them these days, "recipients," but they were going to have to meet us half way and participate in work experience training, et cetera, and we would provide support services.

And some of those support services are things that we see every year, are put in the budget, and then, you know, whoever the Executive is, proposes to eliminate them. Particularly the TANF-funded programming that makes work pay for a lot of our public assistance recipients who have managed to get out of the system. Maybe they've gotten that, you know, job that we hope that they're going to achieve. But to stay in the that workplace, they need childcare. They need to make sure that they're access -- they have access to health care, as you pointed out, to Medicaid. Maybe they need additional training. Maybe they needed a higher education. Maybe they need, you know, protection from domestic violence or the Nurse-Family Partnership, or wage subsidy. And all of these programs, we're not only reducing in the Executive Budget, but we're talking about eliminating them totally. Things like the child -- the CUNY childcare program, or the childcare demonstration projects. And I could go on and on.

So the question that I have is, if the idea is to move people from public assistance to independence, why are we pulling the rug out from the very support services that are necessary, to kind of keep them there?

COMMISSIONER PROUD: I think the programs to which you referred have typically been programs, funding that has

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been added by the Legislature in the course of budget negotiations. We also have the flexible fund for family services, which is given out through an allocation formula to each one of the State's 58 local social services districts, and they have discretion in what they can use those dollars for. And many of them are using those dollars in various ways to provide not only employment or training-related activities, but the other types of work supports and programs to which you referred. And as you heard from the OCFS testimony earlier, there is a commitment from the Executive to add funding in the '14-'15 Budget to maintain childcare subsidized slots as a work support as well.

SENATOR SAVINO: So, essentially --

CHAIRMAN FARRELL: May I interrupt for a second.

SENATOR SAVINO: I'm sorry?

CHAIRMAN FARRELL: What you just told her, she did. She did the bill --

SENATOR SAVINO: Yes, I know --

CHAIRMAN FARRELL: That we now call the "TANF Bill".

SENATOR SAVINO: No, I -- I --

CHAIRMAN FARRELL: I happen to know, because she did it with me.

SENATOR SAVINO: I -- I'm -- I'm aware of that, sir.

CHAIRMAN FARRELL: That means she's knows

exactly what that bill did --

SENATOR SAVINO: Yes, she does.

CHAIRMAN FARRELL: -- and why it did it.

SENATOR SAVINO: But I also wanted to make the point --

CHAIRMAN FARRELL: Okay.

SENATOR SAVINO: -- we're not having to buy back these very programs again. Because you're right, the Executive, regardless of who it is, takes them out, and we put them back. So what we're not doing is we're not investing and expanding any of these programs, or investing in improving economic circumstances for some -- particularly women, that's -- generally, it is women who are affected by this. And so I'm just concerned that here we are, almost 20 years after welfare reform, and in many respects, we haven't reformed it.

With the two minutes I have left, I would like to talk about one particular issue, because I notice -- maybe -- maybe I'm missing something here, but, in the Executive Budget, it includes a "Performance improvement initiative to encourage local social service districts to improve their administrative fair hearing practices. If districts fail to meet performance criteria, the State would be authorized to charge back the district for a portion of hearing costs, providing a potential \$10 million savings to the State." How would we determine performance criteria for fair hearings? How would we -- how would the State decide that a locality is meeting, and what exactly are the performance criteria that we want them to meet?

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COMMISSIONER PROUD: Well, we're looking at a variety of fair hearing related data from all of the counties. The fair hearing process, as you know, consumes a significant amount of resources at the State level, the district level and, frankly, you know, energy and resources on the part of the client as well to go through the fair hearing process. I think one of the areas that we're looking at in performance is with regard to the number of withdrawals that are being made by districts, meaning that they are, after the client has requested a fair hearing, then the district is withdrawing the notice, but so much of the work of the fair hearing process has taken place - to get a hearing request made by the client, and continuing in place to get the client to get his or her hearing scheduled, et cetera. So withdrawals is one of the criteria that we are considering.

The goal of the charge-back provision, frankly, is to encourage social services districts to be better prepared in order to resolve fair hearing issues in the fair hearing process in the most efficient way possible. And withdrawals, adjournments, all of those kinds of things that often take place in the fair hearing context are really counterproductive.

SENATOR SAVINO: I'm assuming that we take into consideration whether or not consumers or recipients showed up for their fair hearing. If they didn't get appropriate notice, there would have to be some sort of, you know, way of determining whether or not a locality was in -- you know, in compliance with the new criteria.

COMMISSIONER PROUD: We're looking at, as I

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said, a variety of criteria that could be used to determine the charge-back.

SENATOR SAVINO: And I hope we're looking at ways to avoid the necessity of fair hearings. I think that's the best thing that we can do. Because a fair hearing usually means that a recipient has had an interruption in their benefits, which has a negative economic effect on them, and sometimes puts them at risk for homelessness, et cetera. So I think perhaps we should be looking at that process, as well. Thank you, Commissioner.

COMMISSIONER PROUD: Thank you.

CHAIRMAN FARRELL: Thank you.

Assemblyman Oaks to close.

ASSEMBLYMAN OAKS: Thank you, Commissioner. In regards to Medicaid coverage that we offer in New York, and looking at the health exchange now that we have that operating, how does the level of Medicaid coverage that we have compared to the levels of insurance that we're offering under the Affordable Care Act?

COMMISSIONER PROUD: Assemblyman, I'm sorry, but I'm really not in a position to be able to answer that question. The Office of Temporary and Disability Assistance does not play a direct role in administering the Medicaid program, or in making determinations about eligibility or services provided under the program. So with all due respect, that's a question that is better directed elsewhere. I'm sorry I can't help you with that.

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ASSEMBLYMAN OAKS: Thank you. Let me go to an area that has been discussed a little bit today on the electronic benefit cards and the use of that. In the earlier questioning, there was a description that there have been some compliance efforts on voluntary basis, liquor store, casinos -- you mentioned liquor stores, gaming establishments and casinos were -- I didn't hear adult-oriented entertainment venues. Have there been some of the volunteer compliance there as well?

COMMISSIONER PROUD: Currently there is no State licensure mechanism over such establishments. So in the Article 7 bill that is included in the Executive Budget, there are provisions related to both imposing the restriction on the access of EBT cards at such locations, as well as the proposed imposition of a schedule of fines that could be levied at such establishments were they found to be allowing EBT access. Those would include violations; criminal violations for the first two violations with monetary penalties, and then for any third or subsequent violations by a particular venue, there would be a Class B misdemeanor under the Article 7 language, with a monetary fine associated with the Class B misdemeanor as well.

ASSEMBLYMAN OAKS: With us having the February 22nd deadline of compliance and having a budget that won't be done until, hopefully, the end of March, do you feel that through your agency's efforts, or through Executive order, are we going to be able to be compliant with what the Feds are requiring of us by their deadline?

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COMMISSIONER PROUD: Well, as you said, we have to report to the U.S. Department of Health and Human Services by February 22nd on the policies and practices that we have and that we are pursuing for compliance with the Federal law. We've already taken a number of administrative steps, which we had discussed earlier, as well as the proposed Article 7 language, which is, in addition to those administrative steps already taken, and which will give us, as a State, additional enforcement mechanisms and authority.

In addition, OTDA New York State is a member of what's called the National Automated Clearing House Association, and that association essentially creates the rules that govern the QUEST network, which is the network of third-party processors that take care of these financial transactions that are handled via the ATM machines and point of sale terminals. There is a rule, a draft rule that is being promulgated by the National Automated Clearing House Association, and this is nationwide, not just specific to New York State. But it will have all merchants, acquirers and third-party processors involved in these transactions blocking states' electronic benefit transfer card banking identification numbers so that the -- through the financial network, because remember, the EBT cards operate on the open banking network, so in that open banking network, the point of sale terminals and ATMs at these restricted venues would be blocked from using the various states' EBT banking ID numbers.

ASSEMBLYMAN OAKS: Do you know -- I know

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like for -- if you use your credit card, you are -- there's a fee charged.
Is there with the EBT?

COMMISSIONER PROUD: At point of sale terminals, no. At certain ATM's, yes. But at point of sale terminals, for example, to purchase goods, there is no fee.

ASSEMBLYMAN OAKS: And so is that a fee to -- the holder of the card ends up paying a fee if they do it at other locations? Or is that a fee to the State?

COMMISSIONER PROUD: Under the current contract, the State pays surcharges related to transactions, but in certain instances, the client may pay a transaction fee, for example, if he or she is uses the card at an ATM that is not part of the network.

ASSEMBLYMAN OAKS: It --

COMMISSIONER PROUD: But point of sale -- I'm sorry, a point of sale transaction, where, for example you may swipe your debit or your credit card and ask for cash back at the point of sale terminal, and maybe the store's policy is \$30 is the limit, let's say for cash back, the same would apply for an EBT card holder, the same rules would apply that the store has for any form of electronic card.

ASSEMBLYMAN OAKS: Of course one of the fallacies in all this, there really -- we obviously can do something to stop people from using them at certain locations, there's nothing to prevent somebody from taking out cash at some point and then -- at some other location, and coming and using -- it would just seem to me that, you know, I know all of us do our monetary transactions

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differently, but it seems to me that with the -- how we've changed so much as a society electronically, that we ought to be looking more seriously at how we might be able to limit within the system and require much more of electronic transfers as a way -- as opposed to, you know, utilizing cash. But I see our time is up, and maybe that's a discussion at another time. Thank you. Thank you.

CHAIRMAN FARRELL: Thank you.

Thank you very much.

CHAIRMAN DEFRANCISCO: That's it. I just want to say that I'm constantly amazed at your breadth of knowledge and your direct, clear and concise answers to every question that's being asked. That's very refreshing. We're very fortunate to have you in your position.

COMMISSIONER PROUD: Thank you very much, Senator.

CHAIRMAN FARRELL: Corinda Crossdale, Acting Director, New York State Office of the Aging. 2:00 o'clock.

CHAIRMAN DEFRANCISCO: Whenever you're ready.

MS. CORINDA CROSSDALE: Good afternoon, Chairman DeFrancisco, Chairman Farrell, distinguished members of the Senate Finance and the Assembly Ways and Means Committees and Chairman Millman. My name is Corinda Crossdale and I'm the Acting Director of the New York State Office for the Aging.

The New York State Office for the Aging promotes

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and administers programs and services for New Yorkers who are 60 years of age and older. NYSOFA's core mission is to help older adults remain independent for as long as possible. In carrying out this mission, NYSOFA provides leadership and direction to 59 county-based area agencies on aging, a network of over 1,200 public and private organizations which serve and help empower older adults and their families and leverage over \$237 million in additional funding to provide services to 700,000 older adults.

Governor Cuomo's 2014-2015 Executive Budget ensures that those we serve continue to receive cost-effective, high quality services that support independence and prevent more costly services. As such, the Executive Budget maintains funding for key program including the Expanded In-home Services for the Elderly Program, also known as EISEP, which provides non-medical in-home services, case management, respite and ancillary services to frail, older adults, must have whom are low-income but not eligible for Medicaid; the Wellness in Nutrition Program, which funds home delivered and congregate meals and provides nutrition counseling and education to frail, older adults who are unable to prepare meals for themselves; the community services for the elderly program, or CSE, which is designed to improve the ability of communities to assist older adults who need help in order to remain in their homes and to participate in family and community life. Our continuing outreach and education efforts to combat instances of elder abuse in NY Connects: Choices for Long Term care, a Statewide, locally based no wrong door that

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provides one stop access to free, objective and comprehensive information and assistance on long-term services and supports for individuals of all ages.

The 2014-2015 Executive Budget also ensures that older New Yorkers at nutritional risk understand, apply for and receive Federal Supplemental Nutrition Assistance Program, also known as SNAP, services. The Executive Budget allows NYSOFA to expand access to Social Adult Day Services Program, also known as SADS, expand access to non-medical, non-emergency transportation and expands the scope of the elder abuse and outreach program.

NYSOFA has, through a variety of strategic partnerships and with our county area agencies on aging and other partners, accomplished a lot in 2013. New York was ranked first in the nation in meeting the nutritional needs of seniors and fifth in providing in-home care, transportation and legal services. We have also made significant progress in making more information available online. A Statewide data portal was launched where individuals can locate evidenced-based health promotion interventions, such as chronic disease self-management education programs - and the registered link is included in your written testimony there - as a result of this partnership between NYSOFA, DOH and SUNY. Further, this collaboration, along with numerous community partners, continues to increase the availability of these proven interventions in more communities across the State. We have also created a web-based quality review system, an online portal for county area agencies on

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aging to submit applications and employed webinars to conduct Statewide trainings.

Some other examples of NYSOFA's major accomplishments over the year last year include assisting over 144,000 Medicare beneficiaries in New York State through the Health Insurance Information, Counseling and Assistance Program, also known as HIICAP. Additionally, helped over 13,200 consumers apply for and receive over \$66 million in Federal and State benefits that assist them in paying for their Medicare premium, in addition to out-of-pocket prescription drug costs such as co-pays, premiums and deductibles that are collaborative efforts of NY Connects and HIICAP. We launched a legal services initiative in partnership with the New York State Office of Court Administration, the New York State Bar Association and the Office of People with Disabilities to promote awareness among older adults, people of all ages with disabilities and informal caregivers of their legal rights and increase the access to affordable legal services. We increased consumer directed in-home services with State and Federal programs and funding streams. We increased NYSOFA MWBE utilization percentage for the four quarters ending 1/31/13 by 71 percent, far exceeding our goal of 29 percent.

As you can see from these examples, NYSOFA continues to be proactive in working to improve our services and advocacies for older adults by increasing partnerships and integrating our work with other agencies and entities to maximize a utilization of

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resources. We look forward to continuing down this path to create systems that are seamless for the consumer and their families.

I thank you for the opportunity to share my comments. I'm happy to answer any questions that you may have.

CHAIRMAN FARRELL: Thank you very much.

First to question, Assemblywoman Millman.

ASSEMBLYWOMAN MILLMAN: Thank you, Mr. Chair and welcome. I hope you're feeling comfortable in the seat. It's the first time you've been in that seat.

MS. CROSSDALE: It is; it's a little warm.

ASSEMBLYWOMAN MILLMAN: I also want to acknowledge Mr. Olsen who is sitting there who has been in that seat so he knows what you're going through right now. I hope my colleagues will be kind, also.

A couple of questions for you. Across the State, agencies have very long waiting lists of seniors who need services, whether they're transportation, Meals on Wheels, in-home care and we know that by keeping seniors at home, they're benefits are good for them and it also costs the State a lot less money than if they end up in nursing homes. So, what are we doing as an agency to whittle down those lists, which I said are all throughout the whole State, we have long, long waiting lists.

MS. CROSSDALE: That's been brought to my attention since I started in my position. This is something that our agency has taken a closer look at. Being on a waiting list doesn't

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equate to no services so we're starting to drill down a little further. I think that in looking at what was presented to me, a lot of the focus was on EISEP, so I'm taking a closer look at how many people we have on that waiting list, what other services they might be receiving while on that waiting list so that as we plan going forward, we do comprehensive planning in making sure that all the needs are, indeed, being met by older adults. But as I evaluate the list a little further, I would welcome the opportunity to follow up with your office to let you know what we find and what steps we might be taking going forward.

ASSEMBLYWOMAN MILLMAN: Have you found, or maybe it's too early in your tenure to comment on this, that there are disparities geographically. I know in the community that I serve we have a program called Meals on Heels, there are so many seniors in a concentrated area, volunteers actually bring the meals, they walk the meals to people. Certainly, that's not going to be possible in a community where there are great geographic distances. But, just in general for any of these services, can you comment on that?

MS. CROSSDALE: It is a little early. I am starting to learn more about the programs that I may not have been familiar with prior to entering this position and looking at some of the best practices across the State. I do know that there's a lot of good things going on in the various districts and we're going to look for opportunities of how we might carry some of those initiatives

Statewide.

ASSEMBLYWOMAN MILLMAN: I alluded to this earlier, in the Governor's Budget there's a \$250,000 appropriation for professional development. Is that related to specific programs or particular agencies; can you comment on that?

MS. CROSSDALE: It's not related to any specific program. What we have seen over the years is roughly a 40 percent turnover in our AAA director staff and we have also seen roughly a 60 percent turnover with regard to the staffing in the AAA, outside of the AAA directors. As you know, these are the individuals that are the boots on the ground for us. These are the ones that are closest to our seniors so we need to make sure that they have the resources that they need to do their job right out the gate and make sure that they have the support that they need to do that. I spoke in the testimony about webinars that our office is conducting; this part of that initiative.

So, we're doing more web-based training, we have modules set up for our AAA's to make sure that they have this support system. So, those dollars will be geared mainly towards that initiative.

ASSEMBLYWOMAN MILLMAN: I think that one of the ways to keep staff is certainly -- and we have this across many agencies, is to reinstate the COLA because some of these people, you know, boots on the ground, they have not had a raise in so many years and, certainly, people who are not making a great deal of money to begin with then seek employment elsewhere. And these people haven't had a COLA for several years.

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I want to turn your attention to something else. The Governor's budget proposal eliminates the Individual Managed Care Consumer Assistance Program Grants that have been in existence for several years and now wants to replace them with one bucket, if you will, that would only be given to a maximum of three groups. What's the rationale behind this big change?

MS. CROSSDALE: Well, as you know, there's an inherent synergy between IMCCAPs and HIICAPs. What we have seen since the inception of the HIICAP program is a significant increase in individuals needing that one-on-one counseling. When the program was first initiated in 2004, we served roughly 28,000 people. Last year we served 144,000 individuals. We're also seeing through CMS, through a change in their formula, a significant decrease in Federal funding towards that program of roughly \$462,000. We have worked with IMCCAPs and HIICAPs in creating a more cohesive relationship with them to make sure that seniors who need that one-on-one counseling receive it. We're hoping that this initiative will solidify that synergy between IMCCAPs and HIICAPs and create a system that is consistent across the entire State of New York. There's definitely a change in the landscape and we're hoping that this change that we're trying to do with the RFP of the IMCCAPs to make sure that our seniors continue to receive the same level of service at the same quality.

ASSEMBLYWOMAN MILLMAN: Thank you. I think I'll be interested to see which three groups get the funding.

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And one other thing on a totally different topic.

Could you expand -- we have spent a lot of time in the last two years in the Aging Committee and holding hearings and round tables on the whole issue of elder abuse and education and outreach programs.

What's NYSOFA doing to continue that outreach?

MS. CROSSDALE: We're continuing to work with our partner agency, Life Span. We conduct trainings, as you know, across the State of New York. We plan on continuing those efforts and we also have the training institute which we work with with Life Span and also OCFS and we plan to continue those efforts, as well, going forward.

ASSEMBLYWOMAN MILLMAN: Well, I thank you very much for your testimony and I look forward to working with you as this Session continues. Thank you.

CHAIRMAN FARRELL: Thank you. Jeff Aubry.

And we've been joined by Didi Barrett.

Jeff.

ASSEMBLYMAN JEFFRION AUBRY: Sir, thank you. Good afternoon, Commissioner -- or Director, I'm sorry. I have two issues of concern. You indicated in your written testimony that the Executive Budget allows for the expansion of Social Adult Day Services. How does it do that and what control do we have over these entities?

MS. CROSSDALE: We have been working very closely with the Department of Health, in particular with the managed

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long-term care programs. What we did is we changed -- DOH changed the contracts with the MLTCs to include our regulations within the Social Adult Day Services contracts. So any time an MLTC contracts with a SADS program, those SADS programs have to adhere to our regulations through SOFA. MLTCs are also required to monitor those programs every year and we're also working with DOH in entering into a contract with IPRO who will go out and monitor the MLTCs. And this is to ensure that the services that are provided directly to the seniors are of high quality in meeting our minimal standards.

ASSEMBLYMAN AUBRY: If there are complaints about the level of service, who will the individual - the families or the adults that are in there, the older adults, who will they complain to? Is it just one agency; is it the State; is it going to be the local counties? Who do they direct their complaints about level of service or care?

MS. CROSSDALE: The Complaints can go either -- we run SADS program, as well. We contract out through our agency for SADS program. Typically, if there's a complaint about those programs where we have a direct relationship with the provider, they're most likely going to contact our office. If it's under Medicaid, they're most likely going to contact the Department of Health. But we have a very close working relationship with them so we'll both be aware of the complaint. When we have heard complaints under the MLTCs, we have reached out to the Department of Health and they have deployed staff out to the site to ensure that the minimum

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standards were being met, and we would offer the same.

I also forgot to add that we will also be providing training for and have been, actually, providing training for the MLTCs so that they understand what those regulatory requirements are so that they will be effective in enforcing them.

ASSEMBLYMAN AUBRY: For me and the rest of the planet that watches this, what are MLTCs?

MS. CROSSDALE: I'm sorry. Managed long-term care providers.

ASSEMBLYMAN AUBRY: Just in case. And so I'm clear that there are two sources of funding possible for Social Adult Day Care, one might be direct State contract and the other would be through Medicaid and can they be combined or...

MS. CROSSDALE: Not typically, no. And SADS are also subcontracted out through our area agencies on aging; that's a service that's provided through the local mechanism and our EISEP program, Expanded In-home Services for the Elderly, can also subcontract out for SADS. Typically, if there's a concern at the local level where the local AAA is contracting out for SADS, any concerns would obviously go to that Area Agency on Aging, and it would be the same with the EISEP program.

ASSEMBLYMAN AUBRY: What is the size of the population that's served by Social Adult Day Care, do we know?

MS. CROSSDALE: I don't have those numbers in front of me, but I can certainly get them for you.

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ASSEMBLYMAN AUBRY: I would appreciate that, to know that number.

And then the second question, as long as I still have time, is there's a statement in the end of your written report about a 71 percent increase in use of MWBEs by your agency and that -- but that's the increase year to year and what we now have is you are performing somewhere over 29 percent of the money spent is to MWBEs, is that...

MS. CROSSDALE: Well, it's not an increase. Our goal was to reach a 29 percent MWBE utilization rate and we actually reached a 71 percent.

ASSEMBLYMAN AUBRY: So 71 percent of the dollars that you spend in your agency go to Minority- and Women-owned Businesses?

MS. CROSSDALE: Seventy-one percent of the dollars that meet that criteria, yes. There's rules attached to MWBE.

ASSEMBLYMAN AUBRY: I know, I know, I know. I'm just -- so, your whole budget, what percentage of your budget goes to MWBE?

MS. CROSSDALE: I can get you those numbers. The vast majority of our funding goes to area agencies on aging, which would not be applicable to MWBEs.

ASSEMBLYMAN AUBRY: That would be helpful, too. Thank you and good luck and welcome.

MS. CROSSDALE: Thank you.

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CHAIRMAN FARRELL: Thank you.

MS. CROSSDALE: Thank you very much.

CHAIRMAN FARRELL: Sheila Harrigan,
Executive Director, New York Public Welfare Association, 2:30.

MS. SHEILA HARRIGAN: Hello, thank you for having me here today. I have eight budget issues; I'm going to talk about four to keep it very brief. Our association represents the local departments of social services around the State. My issues include the State Safety Net Program which, as you know, the State reduced its share to 29 percent. The Safety Net case load is growing as families move off TANF into the State-only funded Safety Net Assistance Program. This is a huge cost with tremendous implications for our State, and our association is very committed to working on alternative funding strategies going back to 50/50 funding or similar ideas, as well as changing the policies for Safety Net Assistance.

We had a significant initiative this past year on employment strategies. There's a lot of time and effort going into solutions to move people off Safety Net Assistance into employment, into being able to support themselves and their families so we have a lot of energy on that issue and would like to see more State support in what can be done to support those efforts.

There is one issue in the Executive Budget that we strongly oppose. It is the Fair Hearing Chargeback Proposal that affects OTDA-related fair hearings; however, this is a \$10 million hit to counties based on projections for New York City, but it's a

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Statewide proposal. We do have recommendations and suggestions that we think would be excellent alternatives to this proposal. We're going to share them with OTDA and we commit to working with the Legislature on other solutions. The Fair Hearing Chargeback Proposal would penalize districts who make successful efforts to bring things to closure before the fair hearing. We feel it would be detrimental to the clients in our system, as well.

The third issue I would like to mention is thank you so much for the Legislature's ongoing support for open-ended funding for child welfare; it's continued in the Executive Budget. It's not what it used to be, it used to be 65/35, now it's 62/38. We need to get back there for taking CPS seriously. We need to get back to that funding source and we know you're concerned and would like to keep that issue in the conversation.

The fourth issue I recommend today is the issue of raising the age of criminal responsibility. We just want to be part of the conversation. The local districts have tremendous expertise and experience and knowledge about this population. We are concerned about the funding and about the capacity and have a lot to offer. There are several other issues in our written testimony. A couple of them relate to Medicaid and a couple others are support for the Governor's TANF proposals in the budget. But I know you're busy and I know you can read what I have to offer so I would like to thank you for the time today.

CHAIRMAN FARRELL: Thank you very much.

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Questions?

Thank you very much.

MS. HARRIGAN: Thank you.

CHAIRMAN FARRELL: Have a good afternoon.

Stacy Osborne, CHAIRMAN, New York State
Children's Alliance.

And next after that is James Purcell. Will you start moving down so we can make up some time? This is the 2:40 one.

MS. STACY OSBORNE: Good afternoon.

CHAIRMAN FARRELL: Good afternoon.

MS. OSBORNE: I would like to thank all the Committee members for your time and your attention to the matter before you. Child advocacy centers if you're not familiar with them, but I know many of you are, provide co-located services for children who are experiencing child sexual abuse, severe physical abuse, human trafficking and, also, we cover child fatalities. In 2013, more than 18,000 children were seen in the 40 centers throughout New York. This is a 70 percent increase from 2007 when we saw -- or, excuse me, 2007 when we saw 11,000 children. Over the course of the exact same amount of time, we have also reduced our funding or been reduced by 25 percent. We're here today to ask that the funding levels from 2007 be restored. There's a \$1.9 million gap from the 2007 levels that we are here to ask for reinstatement for.

In each of the last two years, we would like to take an opportunity to thank you for restoring \$750,000 of that original

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funding; however, we are finding it increasingly difficult to provide the level of service for the number of children that we are currently seeing and, honestly, we're not seeing a reduction in the number of services needed per child, nor in the overall totals for children.

Child advocacy centers are effective in more ways than any of us probably realize. But just to name a few, they reduce the trauma to children by ensuring that they're receiving adequate medical care, mental health services, we're also providing long-term victim advocacy services. We're also making sure that offenders are held accountable. We're not dealing with children for one day, we're dealing with children for years and making sure that they're seeing the services and care that they need.

Children are being seen through the 40 centers from Buffalo to Albany to New York. Every child in the State is deserving of having a child advocacy center. It is our request that the funding be restored to the \$1.9-. We ask this with the knowledge that we are also providing services in a much more cost-effective manner than we used to. Prior to child advocacy centers, children sought services through various means, often having to retell their stories over and over. In the way we handle things in child advocacy centers, we're saving approximately \$1,000 per child over the original cost. That's substantial savings when you're considering 18,000 children a year.

So with that, I would thank you for your time and ask if you have any questions?

CHAIRMAN FARRELL: Questions.

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Senator.

SENATOR KRUEGER: Thank you. Thank you for your testimony. Earlier today the Acting Commissioner of the State Agency actually voiced her support for the value of the programs and, yet, the funding was small to start and it's been shrinking?

MS. OSBORNE: Yes, ma'am.

SENATOR KRUEGER: And I'm just double checking, the number of advocacy centers has been increasing?

MS. OSBORNE: Yes.

SENATOR KRUEGER: So, how does that magic happen? We're funding you less, you're serving more people and opening more centers. Is this all private money? Is there Federal or local money?

MS. OSBORNE: Many of the centers are Tier 1 centers who are also nationally accredited. With a national accreditation, we do receive approximately a \$9,000 a year grant for each center, so it's not necessarily helpful in the way that we would need it to be. Many centers are looking to private funding, fundraising, private donors and sponsors. This funding for many centers is a key piece of being able to keep the doors open. For smaller centers in smaller communities that don't have access to larger funding streams, the OCFS money is integral to providing services.

SENATOR KRUEGER: And how do you interact with the local government agency that has been assigned to investigate the case, or take responsibility?

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MS. OSBORNE: Absolutely.

SENATOR KRUEGER: How do you work together?

MS. OSBORNE: In 2006, it was actually codified as to who was involved in a multi-disciplinary team. That is the core of a child advocacy center's response. Multi-disciplinary teams are made up of law enforcement, Child Protective Services, mental health, medical, child advocacy centers if they're in the community. With that, when we have a case, for instance, if it comes through Child Protective Services, so the State central registry. That agency would then contact, in most situations, the Child Advocacy Center. We would schedule an appointment and then we bring the team all together at the Center. In many instances, we're having law enforcement and CPS doing co-investigations so that the child is not re-interviewed. It also allows us the opportunity to make sure that we're getting all of our questions answered in a very concise and cohesive manner.

SENATOR KRUEGER: And finally, at least in New York City, I don't know if all the boroughs, but most of the borough DAs offices have a division that works on child sexual abuse and assault. Do you coordinate with them in those areas?

MS. OSBORNE: In those areas, yes.

SENATOR KRUEGER: Thank you very much.

MS. OSBORNE: You're very welcome.

CHAIRMAN FARRELL: Thank you.

MS. OSBORNE: Thank you.

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CHAIRMAN FARRELL: James Purcell, CEO,
Council of Family Child Caring Agencies.

MR. JAMES PURCELL: Good afternoon.

CHAIRMAN FARRELL: Good afternoon.

MR. PURCELL: Thank you for the invitation to testify. My organization represents just over 100 non-profit foster care, juvenile justice and preventive service agencies across the State. We appreciate this opportunity.

We are not here today to ask you to fund a cost of living raise, because we know that's just not possible, but we express our appreciation to Senator Krueger and Senator Savino for pointing to it. With no raises in five and six years, a report done by Jack Krauskopf in the Baruch Center last year looked at the finances of all of our agencies over a six-year period -- we're losing money providing government-mandated services and the consequences are felt by the kids in care where their workers leave. The turnover rates are astronomical and every time a worker leaves, in essence, the new workers starts over trying to assess whether or not the family is safe for the child to return home. So, we're delaying discharges in the face of worker turnover.

We're also necessarily punishing our staff. So that as there's no cost of living adjustment, we don't give raises, but we also stop funding retirement plans and when the health insurance bill comes and it's up by 15 or 20 percent, the agency's only alternative is to increase co-pays, increase deductibles and, in fact, drive their

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lowest paid staff out of taking family health insurance. This makes no sense. So, we appreciate that and we look forward to working with you over the coming year to convince the Administration that this is an investment that they simply need to make.

I also want to point out that State-driven mandates are driving up our costs every day. Right now, most notably the Justice Center, where the delays that they're causing are keeping workers on paid leave for months on end instead of resolving cases as they're supposed to in 60 days. There are delays in improving new hires so that we have to pay overtime to keep shifts covered. EO 38 is going to have the benefit of our audit firms charging us more money because they'll have to do additional calculations. There's a whole raft of cost increases that we're facing.

In the budget, we particularly appreciate the recommendation for \$5 million in the Department of Health Budget to begin to fund the transition of our agency into managed care. We did a report last year of recommendations on how we could best do this. We have worked as closely as we can with the State Office of Children Services and the Department of Health. They have been very responsive. It's a very complicated effort. We've got to make sure that these kids get the right health care, that we coordinate their mental health care with the work that the foster care agencies do. It's going to take a lot and we appreciate the regulation that our agencies are just not ready yet and need support in the form of IT, electronic health records and, perhaps, some studies to better determine how some of

these costs ought to be covered.

The third item out of five I would mention is post-adoption services. It's a sad point that our State never funded them until legislative adds from TANF appropriations allowed OCFS some years ago to fund a series of post-adoption programs around the State, ultimately cost over \$5 million but did not cover the whole State. We have asked for \$10 million which would allow us to cover the entire State, regional types of programs - obviously, in the City, borough-wide probably - Audit cover all adoption as well as kinship guardianship cases and provide a resource for families who have taken kids out of foster care, or adopted them through other means, when they run into problems and they simply need some guidance. Who is the best child psychologist in Glens Falls, New York who knows about attachment problems that adolescents run into when they've been adopted. What's the right service out in Buffalo or in Queens for an adoptive family with a child who is really acting out, as a number of these kids unfortunately do, especially when they hit adolescents.

The fourth, Safe Harbor, there's a small amount of money in the budget for a legislative add. We have put together a request for about \$10 million - I know it sounds like a lot of money, but our kids in foster care are particularly vulnerable to these predators. As I was sitting listening to the testimony before, got a note from my staff that the FBI and local police indicated that they have arrested at least -- or that they have recovered, I should say, 16 girls between the ages of 13 and 17 who were brought to New York and

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New Jersey for the purpose of making money through selling their bodies during the Super Bowl. But this is not just a Super Bowl issue, this goes on all the time and we need some programs that are targeted to working with these kids. We don't want to see these kids removed from communities from months on end, but we do need to break the cycle of their relationship with their pimps in order to do the right thing for these young kids, girl and boys.

And, finally, we support the request for additional family court judges. The family court system, especially in New York City but I understand in some other counties, is just too slow. The Legislature assigns new responsibilities to family court judges, we do not increase the number of family court judges and the result is that they delay cases, they adjourn cases. And right now in New York City, if we were to go into a family courtroom today and say, *We have prepared all the material to request a judge to terminate parental rights*, or, on the other hand, *to finalize an adoption* and the judge's calendar is too busy, they will adjourn that case to the next available day which will quite likely be in June or July. During that time, the kid sits in foster care, we pay for the foster care. We could have moved ahead with the discharge to an adoptive family back in January except the delays prevent that.

We appreciate the difficult choices you have to make and the very limited resources you have to bring to that. We appreciate your attention and certainly happy to answer any questions.

CHAIRMAN FARRELL: Questions?

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SENATOR KRUEGER: Thank you.

CHAIRMAN FARRELL: Thank you very much.

Marie Dolfi, LCSW, Advocacy CHAIRMAN, NYS
Citizens Coalition for Children.

MS. MARIE DOLFI: Good afternoon. I would like to thank everyone here for allowing me to speak as a volunteer on behalf of the adoptive and foster families in New York State. Jim Purcell just addressed post-adoption services and that's the one thing on our agenda, but I'd like to give you some statistics and are really very upsetting.

It's beyond tragedy is what we're hearing. Kids are in residential placements for extended periods of time. I have heard this story repeatedly: Married adoptive parents are living separately, one parent with the violent child, the other parent living with the other children due to being told if all the children in one family live together under one roof, the non-violent children will be removed under neglect petition because it's an unsafe home. We know children are staying in foster care because they will lose services should they be adopted, not because of a lack of families. Children are entering foster care after adoption due to families not being able to safely maintain the children in the family. We learned from OCFS in, I should say, in New York City that there were over 2,000 children in foster care with a permanency goal of adoption who were previously adopted within the State foster care population, with the adoption goal of over 6,500; that's just a third of the children in foster care were previously

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adopted.

We have heard people talk about homelessness. Young adults are leaving foster care without families. In 2011 alone, 1,442 former New York State foster care youth left foster care without the permanency of a family. We believe post-adoption services would have increased the number of these children adopted. Adopted families are four to seven more times likely to seek residential treatment for their children than non-adoptive families. OCFS recently provided some statistics on this and the 2,058 children who were in care for a six-month period, 587 children, or 28 percent of the RTC population were children who were from adoptive families. We know from when we had TANF-funded post-adoption families that we were able to decrease the number of admissions in residential treatment.

The services families to most likely to ask for are parent support groups, respite, information and referral counseling, training for parents, case management and advocacy and training for professionals. You wouldn't know it, but the New York State Department of Social Service regulations say they should be providing post-adoption services, including counseling, case management and advocacy. But we know from talking to families in a Statewide survey that the local districts are not providing these services. A common response by OCFS is that adoption subsidies in Medicaid are a resources for families. But if the services don't exist, like a parent support group, what good is a subsidy going to do for you? A local

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advocate in New York City told me they could not find one provider to provide adoption counseling that takes Medicaid in the entire City. We estimate that it will take about \$10 million annually to provide Statewide post adoption services. That's based upon the last round of TANF grants, and that only covered 27 counties. We would need to cover more counties and non-TANF families.

We believe not only is this the right thing to do, but it will save the State millions of dollars and the counties millions of dollars. We believe that could happen by decreasing the number of children in foster care. The counties pay for foster care by using a combination of their own funds and Title IV-E block grants. The counties are responsible for 100 percent of the cost of non-IV-E foster care children. A look at the New York City budget for Fiscal Year 2014 says the City alone is spending \$154 million on foster care that could be spent someplace else. There's less young adults leaving foster care without a permanent family. We know these kids are struggling, these young adults are struggling. I've got statistics in the testimony, but we know they'll more likely be homeless, not complete high school, unemployed, and those employed average earnings are below the poverty level, are on public assistance, arrested, incarcerated and the young women were likely to be pregnant within 12 to 18 months of leaving foster care. I'm sure if we looked at the New York State Budget and the local counties' budgets, we could see that these young adults are using services.

We believe there will be a decrease in residential

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treatment. Residential treatment programs cost between \$100- to \$140,000 annually per child. For an OMH residential treatment facility, the State and the local governments are picking up 50 percent of that cost. The Federal government has already responded to the need for post-adoption services by enacting the Fostering Connections to Success and Increasing Adoptions Act of 2008, and I've included a summary of this in the addendum. But, basically, the Federal government is picking up the adoption subsidy that the State was formerly paying for and it's a phasing in over a 10-year period. And as of 2014, the Federal government is paying for the subsidies of children eight and older, and those children who were in care for at least 60 consecutive months. And the State is supposed to be using the money they were spending on subsidy on programs like post-adoption services. We have asked OCFS repeatedly for how much money they're saving by not spending the money and we haven't got an answer. We believe it's millions of dollars available to New York State to fund post-adoption.

Congress is very aware of this; in fact, they are in the process of working on bills H.R. 3205 and Senate Bill No. 1511 promoting Adoption and Legal Guardianship for Children in Foster Care Act. This legislation should have passed. It will mandate that the State spend their money that they're saving on adoption subsidies for post-adoption permanency services. I have also listed other funds that the Federal government is providing for post-adoption services.

In conclusion, I would like to say adoptive families

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are committed to their children. Post-adoption permanency services are needed because love does not fix trauma, nor does commitment remove the emotional scars of abuse and neglect. It took the State of Tennessee to be internationally shamed by a mother returning her son to Russia on a plane before the State established a post-adoption program. It is our hope that New York State would not need its tragedies to be headlines before it establishes a post-adoption permanency program. Thank you.

CHAIRMAN DEFRANCISCO: Thank you very much. Appreciate it.

Assemblywoman Lupardo.

ASSEMBLYWOMAN LUPARDO: Yes, I just wanted to personally thank you for all of your work. You certainly inspired me to get more involved in this and, as you know, we are moving a bill in the Assembly that is designed to try to get the data that you need and that we need to move this issue ahead. Just quickly explain what that \$10 million you're talking about would pay for?

MS. DOLFI: Well, what it would pay for is what we said, like support groups, because parenting a child with mental health issues is different than parenting a child with not. When your kids don't have mental health issues, you can ask your friends, your parents, how to parent them. But if they're not attached to you or they've got other serious issues, you know, regular advice is not going to be helpful. So, it would go to those seven services I listed. And we're asking for twice what was funded from the last round of TANF

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because that was 27 counties, and you would need to cover 35 additional counties and non-TANF families. So, that's a low estimate and that's how we came up with \$10 million.

But I really think this will pay for itself, I really do. I mean, I think you could really do the right thing and save the State and the local districts millions of dollars.

ASSEMBLYWOMAN LUPARDO: Thanks again for your work. Thank you.

CHAIRMAN DEFRANCISCO: Thank you, you're all set unless Assemblyman Wright has any questions from the gallery.

ASSEMBLYMAN WRIGHT: No, proceed.

CHAIRMAN DEFRANCISCO: Thank you very much.

MS. DOLFI: Thank you.

CHAIRMAN DEFRANCISCO: The next speaker is Shelly Nortz, Deputy Executive Director for Policy, Coalition for the Homeless. On deck is Kevin Douglas for United Neighborhood Houses.

MS. SHELLY NORTZ: Good afternoon. Thank you for sticking around. It's nice to see all of you again. My name is Shelly Nortz and I'm the Deputy Executive Director for Policy with Coalition for the Homeless and I appreciate the opportunity to testify. I will summarize my remarks - there's more here than I will be speaking to.

More than 111,000 different homeless New Yorkers,

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including more than 40,000 children, sleep in the New York City municipal shelter system each year and this constitutes about 85 percent of the homeless population in all of New York State. In 2012 I testified that we had reached a new record, there were over 41,000 homeless people staying each night in New York City homeless shelters, including 17,000 children. Today, that number exceeds 53,000 and over 22,500 children - 30 percent more homeless people in New York City shelters in just two years.

Last year, we talked about how little affordable housing there is in New York City and how there is no exit from shelter for homeless families. With the exception of a trickle of housing that opens to help homeless people with disabilities and those being discharged from psychiatric facilities, there is no housing program in the City. As the charts in my testimony demonstrate, the shelter census began to climb when the Bloomberg Administration stopped referring homeless households to the New York City Housing Authority and eliminated the preference granted by prior Mayoral Administrations that provided roughly one-in-three Federally-subsidized units for homeless households.

The failed series of experiments and time-limited rental assistance that were supposed to make up for the loss of Federally-assisted units led only to a revolving door that returned families to shelter and once they were canceled all together, to a rapid increase in recidivism, particularly from the Advantage Rent Supplement Program.

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The evidence is irrefutable. Homeless households exiting shelter through the Advantage Subsidies were 18 times more likely to return to shelter than those placed in public housing and ten-and-a-half times more likely than those existing to apartments with Section 8 assistance. Eight-and-a-half years ago when the Bloomberg Administration cut off access to Federal housing resources for homeless families, 26 percent of applicants had previously stayed in the shelter system. But today, that figure is rapidly rising and is presently at 63 percent. More than 8,500 Advantage families with more than 18,000 children and 1,000 adults return to the shelter system after their Advantage Housing subsidies have expired. The cost to taxpayers of Advantage families returning to shelter is nearly \$287 million and climbing; it's up \$100 million since last year.

Coalition for the Homeless has reviewed the Executive Budget proposals for the various agencies that have an impact on the causes and solutions that may address homelessness, and we find much to applaud in the way of important investments and reforms. We are pleased to support greater investments and support of an affordable housing, in mental health care and health care. We support the personal income tax credit for renters, although I understand that could be tweaked. We think it is important to have enough fair hearing officers to conduct fair hearings and expedited hearings on a timely basis; however, we have concerns. Record homelessness is not adequately addressed in this budget. Individuals and couples with disabilities should not be excluded from the tax

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credit for renters. Fair hearing duties should not be contracted out to address the back log. Funds for the Coalitions' programs traditionally provided by the Legislature should be restored and increased to address unprecedented demand.

I'm going to just go through a handful of our recommendations and a chart that kind of summarizes them into what we think would be a reasonable plan for the City and State to begin to address the City or housing shortage for homeless people in New York City. First and foremost, we think that New York State and New York City should create a new rent supplement program for homeless families and individuals, offering at least five years of subsidy per household, making at least 5,000 supplements available to New York City homeless households each year for the next three years. New York State should resume setting aside one-in-five Mitchell-Lama vacancies for homeless households, make at least 1,000 placements per year for the next three years and provide each household with a State-controlled Section 8 or MRT housing voucher. Families and individuals with mobility impairments should be prioritized for these placements.

The disability rent increase exemption program should be expanded to serve at least 15,000 households, up from 8,600, by including all veterans with disabilities, raising the income limit for non-veteran households to the same level as for senior citizens and including households in which a family member with a disability resides but is not the head of household. In other words,

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children, siblings, parents, et cetera. OTDA should revise its rules so that the tenant share of the rent for people living with AIDS and HIV who are in receipt of housing or rent supplements is capped at 30 percent of income. A single point of access should be established to enable homeless and disabled New Yorkers who are eligible for various MRT housing programs, to apply for any and all units for which they may meet the eligibility criteria. Individuals and couples with a disabled family member should be included in the personal income tax credit for renters.

More hearing officers should be hired to address the fair hearing back log and the work should not be contracted out. We respectfully ask that the funding customarily provided by the Legislature to support the programs of the Coalition for the Homeless in our Citywide Crisis Services Department be restored and increased to meet unprecedented demand, and I outlined those programs in the body of my testimony.

The last thing I wanted to call your attention to is a chart on one page of my testimony that talks about the consolidated homeless housing development schedule. We're recommending that jointly the City and State fund a variety of capital and rent subsidy efforts to provide 12,500 placements for homeless households per year in each of the next three years to turn the tide, and that starts with a recommendation that New York City resume placing 2,500 households per year in NYCHA, and would then be paired with City and State rent supplements that would be based on the current

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reimbursement formula, unless you changed that. This idea of using State Section 8 and MRT vouchers to help disabled households get into the Mitchell-Lama units. And then finally, we are strongly recommending the negotiation of a fourth NY/NY agreement between the City and the State to provide 4,000 units a year in each of the following three years.

I'd be happy to answer any questions you may have.

CHAIRMAN FARRELL: Questions?

Yes, Assemblywoman Titus.

ASSEMBLYWOMAN TITUS: Yes, thank you Chairman. Ms. Nortz, I want to first thank you for your testimony. I really feel like you're on the ground, you know exactly the pulse of what's going on with our homeless population and I thank you for always sharing your data.

As you know, especially New York City we have over 50,000 homeless people every night in our shelters. I represent a district that was severely impacted by Hurricane Sandy and two years later, we're still looking at people that are rebuilding their homes. I also represent a district that has a lot of two-family homes and what has happened, a lot of our tenants has disappeared and have not returned back to the district and was wondering if you have been doing any studies or reports on that population impacted by Hurricane Sandy that are now homeless.

MS. NORTZ: We spent many, many months in the aftermath of Hurricane Sandy helping the people who were displaced

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from the very many districts where there were, in particular, renters displaced, also homeowners, but those that were unable to have any other place to stay other than the hotels. We were feeding them, we were taking Metro Cards to them. We were serving them in our main office, especially with the help of the funds that the Assembly provides every year that enabled our walking crisis services to help them. And we were very involved in pressing the various officials at the City, State and Federal level to continue the hotel placements as they were being cut off by various deadlines that came along the pike. And I know that the last of those families, the last I knew was being assisted with some private foundation money that came in to be able to keep them in their hotel placement until they're able to resolve their housing situations. It was at least many hundreds of families at that point, I'm not sure if exceeded 1,000.

That's the last I knew. I haven't had a real update on it but, of course, there are people who we witnessed in the course of all of this ultimately entering the shelter system, and the reason that they entered the shelter system is because they didn't qualify for one reason or another for the various forms of assistance. I think the most common problem was immigration status, but also, we found people, for example, who were living doubled up in a house and the homeowner hasn't gone back to the house but the household is now separated and is no longer doubled up so they're not staying in place with the homeowner - situations like that. But every time we turned around, we found a new kind of household situation.

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ASSEMBLYWOMAN TITUS: Thank you.

MS. NORTZ: Thank you.

CHAIRMAN DEFRANCISCO: Senator Krueger.

SENATOR KRUEGER: Thank you, Shelly. I will follow up with you after the hearing on a number of your proposals, but I'm just drawn to the map at the back of your testimony. So these are the Coalition for the Homeless clients by the zip code where they last lived before they became your client. Are these services you provide only in New York City? I mean, this map seems to imply people are coming from Long Island and Westchester into the City once they're homeless. Is that what this is reflecting?

MS. NORTZ: That sometimes happens, yes. And these are our new clients in that year, which was, I believe, calendar year 2012. So, yes there are, in fact, people who come to New York City from outside the City for help.

SENATOR KRUEGER: Because the county where they used to live does not provide the kinds of services that they should be?

MS. NORTZ: I would say that that is one explanation. It may not be the only explanation. I have seen a variety of situations where people have come into the City for assistance. Sometimes it is that the county doesn't provide the assistance. I recall in one circumstance, in particular, where we were asked to help when an adult home was being shut down and there was a particularly needy person and there was no service in the Long Island county that that

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person came from that would provide that help.

SENATOR KRUEGER: Can you provide me after the hearing with a chart that actually shows the numbers by Zip Code, not just the map?

MS. NORTZ: I'll attempt -- our IT Director who prepared that is no longer with us and I'm waiting for our new to get up to speed so I'll do my best.

SENATOR KRUEGER: Thank you. Thank you very much.

CHAIRMAN FARRELL: Thank you.

Further questions?

Thank you very much.

MS. NORTZ: Thank you.

CHAIRMAN FARRELL: Next, Kevin Douglas, United Neighborhood Houses.

CHAIRMAN DEFRANCISCO: Whenever you're ready.

MR. KEVIN DOUGLAS: Thank you. Good afternoon.

CHAIRMAN FARRELL: Good afternoon.

MR. DOUGLAS: My name is Kevin Douglas, I'm a policy analyst with United Neighborhood Houses and I want to thank the Chairs, as well as all the Assemblymembers and Senators here for sticking out a long afternoon to hear what some of the additional concerns that are out there.

United Neighborhood Houses is a non-profit network of 30 settlement houses and community centers across the five boroughs of New York City, a settlement house being, you know, a multi-service, multi-generational agency that's really neighborhood-based. So, all of our members, and there's 38 of them serving 500,000 a year, provide everything that was talked about here today, whether it was early childhood education, child care, after school programs, adult education, workforce development, health programs, housing - it's kind of one-stop shopping. An individual or a family walks into one of these centers and they're provided the needs -- provided the services to meet the needs that they have.

So, pretty much everything we talked about here today is of concern to our members, although I do recognize it's been a long afternoon so I will try to keep my remarks short here. One of the first things I wanted to highlight was Senator Squadron actually mentioned earlier the Settlement House Initiative, which is a very small funding stream in the State Budget that provides funding to settlement houses both in New York City as well as around the State, and it essentially serves as flexible funding.

One of the things you probably observed today as we talked about the many different areas of human services is they're all very discreet. With the needs of families and communities, they're not always discreet and when an individual has a problem in one area, there's also other challenges they have, as well. So, what the settlement house funding does it allows them to provide flexible

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services that don't neatly fit into any one category elsewhere in the City or State Budget. That sadly has been removed, as it has been for the many years from the Governor's Budget. And we thank, obviously, the Legislature for restoring that, we're hoping to see a restoration of \$3.5 million, which is where we were just a few years ago before that was reduced. And I just would emphasize that although the bulk of that funding does go to New York City programs, which many of you are familiar with, whether it's Lenox Hill Neighborhood House or Project Hospitality, Queens Community House, there are also programs here, Trinity Institution in Albany, programs in Rochester and Syracuse also that provide these sort of wraparound services.

I want to touch briefly on after school programming. Obviously, the hearings around UPK has already been held and I won't get into great detail on that, but as you know in New York City the proposal to expand after school programs is linked to the proposal to expand Universal pre-K. And given after school's relevance to this hearing, I thought I would briefly touch upon that. Obviously the Governor has put forth a plan that would recognize the need for after school programming across the State and we're grateful that that recognition is there. We are concerned, though, that the plan does not include any funding for after school in this coming year and in the out-years really relies on revenue that does not exist yet in the form of future casino revenues. So, we're supportive of the plan being promoted in New York City which would allow New York City to

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really have the ability to set its own policies in terms of raising revenues to support an expansion of both UPK and after school. We think the costs are greater than anticipated in some areas and we want to make sure there's a stable base to fund those services.

In terms of summer youth employment, I want to try to provide some clarity to questions that were raised by Assemblymember Lupardo, as well as Senator Krueger, around the different numbers that were floating around. As you mentioned, Commissioner Chong from DYCD discussed a \$10 million need for SYEP. That is what we project the need to be. Just a few caveats to that number - that \$10 million figure is referring to the amount we're looking for Statewide. SYEP is a Statewide program -- New York City receives roughly 54 percent of that, with the rest of it being distributed according to need around the rest of the State. So, as was indicated by OTDA, we are anticipating the full range of slots. So, not just the slot supported by the State, but also those that are supported by City or other dollars. And the reason for that is when the State sets policy in terms of minimum wage, that impacts all job slots regardless of the funding source for the slots and I would be clear, however, that we are supportive of the increasing the minimum wage and would, in fact, encourage the Legislature to go further. But, just really calling the State to recognize when those decisions are made, there's a need for increased investment to support all of the slots across the City and the State. And so, in terms of the \$10 million, \$7.5 million the Governor did include an additional \$2.5 million in the budget for

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SYEP so we're very grateful for that. And so, we're looking for the remaining \$7.5 million to get us to the \$10 million figure Statewide to preserve slots. And we have additional documentation, in terms of the numbers, how they break down if folks would like to see that.

Really quickly on child care. Obviously, the Acting Commissioner of OCFS was here earlier today talking about child care subsidies. This was also a question an Assemblymember had and it was suggested that through the expansion of UPK we might see freeing up slots in child care subsidy system, I mean, maybe that will shake out, but we're not sure. But we are looking at this by OCFS onus, it means there's about 600,000 children across the State who could benefit from these child care subsidies and only 22 percent of them are currently accessing it. So, we're recommending an additional \$182 million to provide a significant chunk of slots to those youth.

I just want to take a minute to state as I know many of the numbers I have thrown out before are significant increases over where we've been at in years prior. But I share that in the context of this being a year in which the Executive has anticipated excess revenues and surpluses in the out-years and so I would encourage the Legislature to look at where excess money might be to investing them in our State and into the people who most need them.

In terms of housing, and I apologize, there are many areas that are important but they all are linked together; it's hard to serve a child in a family and not the adult or the older adult in the family. In terms of the homelessness programs, we're very pleased to

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see new focus and emphasis on the homeless housing systems program. We certainly applaud the Governor on that. One of the things we did want to highlight was the Solutions to End Homelessness Program, which has a number of funding streams underneath it. And the reason I want to emphasize that one is many of the housing assistance programs are targeted at families which certainly need them, but there's also a number of single adults, especially older adults, who are also needing housing supports and there's not a lot of dollars to support that. One of the few places that support can happen is through the Solutions to End Homelessness Program. So, we're recommending an additional investment of \$1.5 million in that area.

In terms of aging, I know Assemblymember Millman had to step out but there was a question she had asked about elder abuse. In years prior, the life span program, which was really designed to provide support to older adults who were the victims of physical, mental, financial and other types of elder abuse, it has been in the budget in prior years. For some reason it was not included in the Executive Budget this year so we're recommending that that be restored at \$200,000. Another key program, the community services for the elderly, is used in a variety of different capacities around the State and it's really wonderful in that it provides that flexibility to localities. One of the things we do know, however, is that there are many, many older adults throughout the State who are in need and are currently on waiting lists for these services. And while the Executive

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Budget maintains level funding, which is something to celebrate. Sometimes, we do see that there is a growing age population and so level funding is really a cut for that population. So, we're recommending in line with many of the other advocates around the State, an increase of \$26 million to that program to help meet the needs of all of those older adults on wait lists across the State.

And the last thing I wanted to briefly touch on and really want to thank Senator Krueger for mentioning this earlier, was the COLA. As non-profits, our agencies are quite adept at getting cut after cut after cut and somehow their doors are still open and it unfortunately sends the message that there has not been harm done and that's not the truth. Services are reduced, there's employee attrition, it's hard to do planning for year after year after year when you're not even seeing basic growth in your budget to reflect increased address costs. So, we're disappointed that the COLA has been, once again, delayed in the budget. I believe this, as you mentioned, is the sixth year in a row. It's been estimated that those losses over the past few years would amount to essentially a 10 percent cut. And Jim Purcell mentioned programs are operating at a deficit. When you're having your costs increased and not seeing those costs reflected in the State Budget. So, we would encourage the Legislature to restore a 2 percent COLA across the board for non-profit providers. And with that, I think I have said enough so I'll pause and see if there's any questions.

CHAIRMAN FARRELL: Thank you very much.

Questions?

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CHAIRMAN DEFRANCISCO: Senator Krueger.

SENATOR KRUEGER: Thank you for your detailed testimony, just one question. Do you or does UNH have an ability to analyze if we are successful in moving forward with Universal pre-K in New York City, won't that help us bite into the waiting list for child care slots, at least for four-year-olds?

MR. DOUGLAS: We would anticipate that and we're actually in the process with our members - as I mentioned, there's almost 40 of them around the City - in terms of assessing where that capacity exists. It is a fair question. I think we would -- providers would always love to be in the positing of figuring out how to provide the services on the ground, what's the funding, as they ask of very often on the opposite. So, we do have confidence that with an expansion in dollars, the seats will become available.

SENATOR KRUEGER: And I'm not trying to imply that we shouldn't still be providing a greater amount of money for child care slots, but we're talking about \$600,000 seems so overwhelming, but I think it's one of the things in our UPK debates that we actually forget, that we'll actually be helping to address a real shortage of what we now define as slots in the child care universe for the four-year-old population.

MR. DOUGLAS: Absolutely and, again, we're grateful that the Governor did increase the funding for the child care block grant and would just encourage him to go further.

SENATOR KRUEGER: Thank you.

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CHAIRMAN FARRELL: Thank you.

Thank you very much.

John Medina, Board Member, Community Voices Heard. And then after that would be John Grebert, then Susan Antos.

John Grebert, Executive Director, NYS Chief of Police Associations, Fight Crime: Invest in Kids.

Welcome.

MR. JOHN GREBERT: Thank you. Thank you, all of you for giving us the opportunity to testify today. I'm a member of Fight Crime: Invest in Kids, an organization of more than 260 police chiefs, sheriffs, district attorneys and crime survivors across the State who support proven investments in children and I'm here to speak with you about how as a leader in law enforcement, I know that investing in home visiting cannot only reduce child abuse, but prevent crime in New York State, as well.

Nothing can fully prepare a law enforcement officer to walk into a home where child abuse has taken place and the terrible experience of removing children from their homes is one reason we members of Fight Crime are so committed to addressing child abuse before children are hurt. Over 77,000 New York children were victims of abuse in 2010 and over 200 children every day, and at least 114 children die as a result of that abuse and neglect. The true numbers are likely much higher because many cases of abuse and neglect are not reported. In addition to protecting children, law enforcement leaders want to prevent abuse and neglect because it's a

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powerful crime prevention strategy and researchers have found that maltreatment contributes to future crime. While most survivors of childhood abuse and neglect never become criminals, research shows that an estimated 3,000 victims of abuse and neglect in 2010 will later become violent criminals who otherwise would have avoided such crimes if not for the abuse and neglect they endured as children.

Evidence-based home visiting programs for families and infants and young children, like Health Families New York, can decrease abuse and neglect and a reduce future crime. The research tells us this. Home visiting optimizes early development to give kids the right start in life. Investing early in a child's life is also just fiscally smart. You either pay now or you pay a lot more later.

We currently spend \$2.8 billion a year incarcerating about 66,000 people in the State. A strong sustained investment in home visiting programs, like Healthy Families New York could help. We know that the most powerful weapons we have against crime, violence and abuse are the proven programs that help kids get a good start in life. Healthy Families New York is one of those high quality programs. If New York invests wisely in what works, fewer of our officers and deputies will find themselves carrying children away from abusive or neglectful homes and fewer New Yorkers will become the victims of violence in the future. Fight Crime: Invest in Kids asks that New York State restore funding in the amount of \$3.5 million this year instead of once again flat funding since 2008.

Now, Melanie Blow, a board member of Prevent

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Child Abuse New York will share with you what this flat funding has meant to this program Statewide.

MS. MELANIE BLOW: Thank you, John. I want to go into a little more detail about why preventing child abuse is so important. You've already heard some numbers and statistics about how expensive child abuse is. When I was seven years old, the thing I was most grateful for was that my father hadn't yet killed me. When I was 14, what I was most grateful for was that neither my father nor my uncle had impregnated me. When I was 16 and figured out that my mother was going to let three years of sexual abuse become five years of sexual abuse, I was grateful for very little. At 17, I really regretted not following through on all the times I wanted to kill myself two, three, four years ago. And at 18, I experienced no joy in being free; I wasn't prepared for it. I knew how to survive child abuse - that was really all I knew, and that's an absolutely useless skill.

I was born the year the first model home visitation programs were established, the programs upon which Healthy Families and Nurse-Family Partnership are built. If New York had been as progressive and compassionate as you claim to be, we could have made these programs available to all qualifying families. We would have poured money into improving these programs and coming up with other primary prevention programs, which is what the trust fund does. That would mean child abuse survivors younger than me would be very, very rare in this State. They're not.

We've had the option of becoming a State where

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abuse fatalities are unheard of, not one -- when I have to ask people which headline they're referring to when they say, *Did you hear about the little kid that was killed?* For the last 36 years, New York has had the option of becoming a State where child abuse and the mental abuse, crime, addiction, premature death and poverty that accompany it is rare. We choose not to become that State every year; instead, you flat fund the programs. With funds able to pay for less and less each year, it becomes harder and harder to help families. Some workers were laid off, others left for better paying jobs or less stressful jobs. Workers must build relationships with the parents they serve so families tend to drop out when their assigned worker leaves. New workers become harder and harder to find. Slowly but surely, the program's ability to serve children unravels.

These programs that can spare so many children so much harm, and they can spare the rest of our State so much expense, reach fewer people because of flat funding when they desperately need to reach more. We are asking for a \$3.5 million increase to \$26.8 million to restore Healthy Family to its 2008 functional level. That is a very humble ask, indeed.

Prevent Child Abuse NY has tried to convince New York's lawmakers that preventing child abuse is important for years. Perhaps it seems to you that only the advocates are saying it. They have done some research this year. I met the grandmother of a little boy murdered by his caretaker while CPS was investigating allegations of abuse. She says preventing child abuse is important. I

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have gotten to know a mother who kidnapped her daughter because all legal means of protecting her daughter failed, resulting in the girl living with a registered sex offender. She tells me we need to prevent child abuse. For two-and-a-half years, I have known the mother whose little son is abused on visits with his noncustodial parent, despite her doing everything imaginable to make them stop. I have watched her little boy deteriorate from a child who loves school and is loved by his teachers to a child who struggles, fails class and has difficulty with his peers. I have listened to this mother gauge his talk of suicide, trying to figure out if she needs to bring him to a hospital. I tried to reassure her that an abuse survivor can still live a good life as an adult. I don't tell her there will always be some pain there, she already knows that. You already know that. And this mother tells me we need to prevent child abuse.

These stories show us that none of the systems for stopping child abuse after it starts work as well as we want them to. We need to make them work better, but no amount of improvements can be as good as preventing the abuse from starting. This is what all the experts say. This is what all the parents and grandparents I have met say and this is what every survivor will say. There are lots of things New York must do to prevent child abuse and growing the funding for Healthy Families New York is one of them. Thank you.

CHAIRMAN FARRELL: Thank you.

Questions? Senator.

SENATOR KRUEGER: Thank you both, thank you

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for testifying and telling your own personal story. Does your program coordinate with the Children Advocacy Centers we were learning about earlier?

MS. BLOW: Not in a particularly direct way. The goal of Healthy Families is to keep children from having to walk through those doors.

SENATOR KRUEGER: Thank you.

CHAIRMAN FARRELL: Thank you.

Just checking - John Medina?

Susan Antos, Senior Attorney, Empire Justice Center:
Next after that, Maclain Berhaupt. If you could move down a little it would help. Then, Jonathan Lang come down to the bottom so we can move faster.

Thank you, good afternoon - no, it's over 5:00, good evening.

MS. SUSAN ANTOS: Good evening, good afternoon, thank you so much for giving me the opportunity to talk to you today. The Empire Justice Center is a support center for legal aid and legal services offices. We have offices in Rochester, Albany, White Plains and in Suffolk County, Long Island. My comments today as you can see are about 14 pages long. I'm going to briefly highlight some of the more important ones. One Office of the Aging topic, one OCFS topic and about four of the Office of Temporary and Disability Assistance topics.

First, with respect to the Office of the Aging topic,

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the Managed Care Consumer Assistance Program, or MCCAP, and I think Assemblymember Millman was alleging to them. We're glad for the continued funding of them, we support it. We also support the language in the Governor's budget that would allow agencies to assist dual-eligibles with issues that have to do with non-Medicare Part D issues. We do have a concern, and I think that's a concern that the Assemblymember was alluding to, is that the budget would cut the number of grantees and establish an RFP process. She, the Assemblymember mentioned the amazing increase in the number of people served. We're very concerned that relationships established and very productive programs might establish disruption. I just wanted to share that concern with you.

With respect to the Office of Children and Family Services, first of all, I want to thank the Assembly work group, Assemblymembers Titus and Lupardo and the IDC, Senator Savino, for your work on the issue of child care and raising it to the place that it deserves as both a women's issue and an economic development issue. The Empire Justice Center has just joined the Believe in Children Campaign which was referenced by Mr. Douglas from United Neighborhood Houses. We are asking, along with a number of other organizations, for \$182 million in additional child care funding, which would create 25,000 new slots.

To put this ask in perspective, as big as it seems, we have to remember in 1995, before welfare was reformed there were 1.5 million in temporary assistance, they were called public assistance

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recipients then; 803,000 of them were children. Now, there are 803,000 recipients; 311,000 of which are children. So, that's 500,000 fewer children. Where are those children? If we succeeded in getting those families off welfare and into work, they need the supports that they were promised because most of them are in low wage jobs, so that they can continue to work and stay off welfare.

The other point of our child care ask is that it must be affordable. The Legislature has told the Office of Children and Family Services and the social services districts that co-payments must be based on a families' ability to pay and, yet, we heard that, in fact, local districts have unbridled discretion and the regulation, if OCFS gives it to them, to allow co-payments to be as much as almost 18 percent of a families' household income -- in some counties, counties that choose that. In other counties, the same family, same income, same expenses, same cost of care, can pay less than 5 percent of their income for a co-payment. That's not a fair way to distribute our funds which are primarily Federal and State funds.

Finally, I would like to also mention and I believe that this was alluded to earlier. For some reason even though we disregard teen earnings for public assistance, for HEAP, food stamps, because we want to incentivize young people to work. We don't in the child care program. So, we put families in the unconscionable situation of having to say to their teens, *I'd really like you to get a job, but if you do, I'm going to lose a subsidy for your younger sibling so you really can't work right now.* So there's a bill, Senator Savino,

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Assemblywoman Jaffee that would put the child care program in line with other public assistance programs; we strongly support that.

With respect to the Office of Temporary and Disability Assistance, we want to briefly mention the EBT restrictions. We know they're Federally required. I was really heartened to hear Commissioner Proud's mention of the National Automated Clearinghouse Association on voluntary blocking. We didn't know that it was coming down the pike because the best thing is preventing the occurrence rather than sanctioning people. You know, we have a concern which I'm going to address in a minute on more fair hearings. What we don't need are more sanctions, more people losing benefits. The bill is going to become effective 60 days after it's signed. If we have to have sanctions, the first sanction should at least be a warning. We don't want people who don't know about the rules to get sanctioned. And, of course, idly this restriction will pass through the National Automated Clearinghouse Association and these terminals will be blocked.

We have a lot of questions, and I hope you will too, about the fair hearing charge backs. We don't really know what it means. The devil is going to be in the details, as they say. Many of my colleagues in the legal services community tell me that withdrawals are actually a very productive way when districts resolve the issue with the advocate or with the individual client. On the other hand, we totally support effective means of resolving issues that result in fewer fair hearings. So, we're interested in the proposal but, again,

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the devil is in the details, which segues nicely into our sanction reform campaign.

Empire Justice is part of a multi-organization sanction reform campaign which directly relates to fair hearings. Last year, 43,000 fair hearings were held where sanctions were an issue, work sanctions. And there were only decisions affirming the district sanction in 10 percent of the cases. So, in 80 percent of those cases, the district either lost a decision or there was a withdrawal. So, we have a proposal which is outlined more thoroughly in our testimony to take another look at sanctions because, as we've also heard - I can't remember who mentioned it in response to a question - is that the data is increasingly showing that the people left on public assistance are people with significant barriers to work. And so, you don't want to have a family that already has barriers being sanctioned when they didn't comply with work because of one of their barriers.

The last item I want to address - and there are more items in our testimony but I know our time is limited - is if, in fact, the goal of our public assistance system is to get people off of assistance, when they're on temporary assistance we shouldn't cut them off at the knees and take every single asset that they have before they go off. And the three things I want to mention briefly here are we shouldn't take mortgages against people who own their own homes. And if we have to do that, we at least owe them what banks do, which is to give them an annual statement. I have not once never looked at a mortgage from a public assistance recipient that didn't have errors in it. There

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are things that you cannot recover in a mortgage. You can't recover HEAP, you can't recover food stamps, you can't recover child care - I've seen all those. You also have to credit child support collected, which is retained by the local district. Oftentimes, that is not credited.

The other two assets that I hope you will consider is the 529 College Savings plans. Someone may have had a job that they lost but they may have set some money aside for their children. They have to deplete those funds and it's a taxable event for them when they do. Even worse is if they have a small IRA and I'll tell you, the people that I have seen in the fair hearings that I've read about people with small individual retirement accounts - they're all small, they're all under \$10,000 but not only did they lose them, not only is it a taxable event for them, but they have to pay a 10 percent penalty on dissolving their IRAs. So, if we really want to think -- and these are people for whom it's probably going to be most likely the temporary assistance will be a temporary stay. So, let's not cut them off at the knees and let's help them get self-sufficient again so they don't need temporary assistance.

Thank you very much.

CHAIRMAN FARRELL: Thank you.

Questions?

CHAIRMAN DEFRANCISCO: Senator Krueger.

SENATOR KRUEGER: Just one on a very detailed set of proposals. This whole issue of the co-payment disparity in child care payments.

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MS. ANTOS: Yes.

SENATOR KRUEGER: Do other states let this happen?

MS. ANTOS: No. No. New York State is one of, I believe, five states that even has a county-administered welfare system and I have checked with the other states and even though they have county administration, they don't have the disparities except, I'm sorry, Texas because they don't even have their child care system run by counties. They have them run by local workforce boards and they develop their own individual rules. So, I amend my answer. In Texas they have, it's not even county by county disparities, it's workforce board by workforce board disparities.

SENATOR KRUEGER: Any chart that shows New York and Texas together and everybody else, right, there's something wrong. Thank you very much.

MS. ANTOS: Thank you.

CHAIRMAN FARRELL: Thank you.

Maclain Berhaupt, State Advocacy Director,
Supportive Housing Network of New York.

MS. MACLAIN BERHAUPT: Hi, good afternoon. Thank you so much for sticking around and providing us an opportunity to testify today. My name is Maclain Berhaupt, I'm the State Advocacy Director of the Supportive Housing Network of New York. The Network is a membership organization. We represent over 200 non-profit providers and developers who operate more than

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47,000 supportive housing units throughout the State. Supportive housing, permanent, affordable, efficiency apartments linked to on-site services is a proven cost-effective and humane way to provide stable homes to individuals and families who have difficulty finding and maintaining their place in housing. The people we house and serve, people with mental illness, HIV/AIDS, substance abuse and other barriers to independence are typically users of expensive emergency services, like shelters, hospitals, prisons and psychiatric centers.

So, I'm actually not going to read my testimony today. I'm going to spend a few minutes highlighting what we are testifying on. Three things. First, we fully support the doubling of the OTDA homeless housing and assistance program, that's the capital program at OTDA, from \$30 million to \$63 million. I should point out that the Network works closely with our State agency partners at the City and State government levels to really assess projects that are coming online from when they're thought of, when they're just an idea to actually when the shovel goes in the ground. And for the last five years that I'm aware of, we have testified every year in front of this Committee asking for that funding to be doubled from \$30 million to \$60 million, so we're pleased to see that this year and fully support that.

Secondly on the services side, as I mentioned, supportive housing is housing with the on-site services attached. We were also happy to see that the Executive included the \$30.3 million to the base line for services in supportive housing; unfortunately, that is

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not enough to fund all of the existing units that have just opened in the last year, or those that are opening up in the upcoming Fiscal Year.

We also, at the Network, spend a lot of time talking with our non-profit providers to assess what residences will be opening when and we share that with our government partners to really get a sense to what the budget needs are for the services and operating dollars in all our buildings.

So this year at the OTDA Homeless Housing and Preventative Service Program Budget, this funds NYSSHP, the New York State Supportive Housing Program. It also funds the New York State Solutions to End Homelessness Program and the Operational Support for AIDS Housing. NYSSHP, based on our information of all of the residences that are currently open, needs an additional \$2.4 million to keep those programs fully funded. And then STEP, the New York State Solutions to End Homelessness Program, as I think someone mentioned earlier, could serve an additional 4,000 people with \$1.5 million. So, that bucket, if you will, as we refer to it, really is in need of about \$4 million to keep those programs going.

And then lastly, this is a little out of our element because this is not typically considered a State issue, but we did think it was important to alert you to what's going on at the Federal level. Currently, the 29 continuum of cares across the State that help decide and manage where the Federal homelessness dollars are being allocated, have had to go through a very treacherous process due to sequestration. They are experiencing, at HUD, about a 5 percent cut.

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What that has forced the continuums to do is to actually prioritize based on HUD regulations, supportive housing projects and prevention projects. And so, at the bottom of any list there will be programs that, unfortunately, are scheduled to get cut. And so, we, also at the Network, have spent quite a bit of time analyzing what this means for our communities and from what we can tell, there is about a \$9 million cut that will be coming to New York State for these, again, prevention and supportive housing programs that, in many instances, get NYSSHP and STEP funding, as well.

And so, from that it looks like roughly \$5 million of that is being somehow assisted through local or State agency funding. We're concerned that there could be a deficit of about \$5 million to these programs. Again, this is HUD money. We think that it would be in the best interest of the State to look at doing some type of supplemental fund, a one time thing, at OTDA where the State could put \$5 million into this funding allocation and then where programs do get cut, if they do get cut, that funding would be able to keep those programs whole and operating.

So, thank you. Are there any questions?

CHAIRMAN FARRELL: Questions? None? Thank you very much.

SENATOR KRUEGER: Thank you very much.

MS. BERHAUPT: Great, thank you.

CHAIRMAN FARRELL: Next, Jonathan Lang, Director of Government Projects, Empire State Pride Agenda. And

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after him will be Jessica Klos Shapiro and then to close, Gabrielle Horowitz-Prisco.

Jonathan.

MR. JONATHAN LANG: Good afternoon, everyone. Thank you so much for your patience and your endurance throughout a lengthy discussion about Human Services. When I saw my name at the bottom of the list, I just knew it was going to be 7:00 o'clock before they said Jonathan Lang, because I really am excited to have the opportunity to speak with you well before 6:00.

CHAIRMAN FARRELL: I thought I was going to be here with you at 7:00 o'clock.

MR. LANG: Yes, yes, you know -- and with the incoming storm and all that, I'm really glad that we're getting out of here fairly soon. I think there's only one more speaker after me, so you're almost done.

I'm going to briefly summarize my remarks, I think there's no reason for me to go through the list of testimony.

My name is Jonathan Lang, I'm the Director of Governmental Projects and Community Development at the Empire State Pride Agenda, which is New York State's LGBT's civil rights and advocacy organization. Today I want to talk to you specifically about support for runaway and homeless youth. As we know, this is a growing problem, it's continuing to accelerate and escalate, particularly in the New York City region. Roughly 3,800 young unaccompanied minors are on the streets every night in New York

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City, with only about 250 shelter bags. Forty percent of those folks identify as LGBT, so clearly runaway and homeless youth issues are LGBT issues.

A few years ago, the Cuomo Administration cut the line of funding from the Office of Children and Family Services by about 50 percent, so \$40 million was then dramatically reduced to about \$2.35 million. And every year we come to this Body and every year this Body has done a valiant effort to try to restore that funding. Last year, we were able to see from the Legislature a restoration of about \$200,000, which is great; but clearly not enough to get back to that \$4 million level. So, what we're asking for you all today is that, you know, in the environment we're in right now, with the economy beginning to recover, at least we can maintain the commitment that we made last year, if not exceed it.

So, thank you so much for your time today. And if there's any questions, I'd be more than happy to answer them. If not...

CHAIRMAN FARRELL: Any questions?

SENATOR KRUEGER: Just \$4 million?

MR. LANG: Just \$4 million. Doable. Realistic.

Possible. Thank you so much. Have a great night.

SENATOR KRUEGER: Thank you.

CHAIRMAN FARRELL: Thank you very much.

Jessica Klos Shapiro, Public Policy Communication
Coordinator, Early Care and Learning Council.

MS. JESSICA KLOS SHAPIRO: Thank you so

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much for the opportunity to provide testimony.

And thank you so much for pronouncing my name right. Nobody every does, and you did. So, it's very exciting for me.

CHAIRMAN FARRELL: Everybody else, I messed up.

MS. KLOS SHAPIRO: You redeemed yourself.

CHAIRMAN FARRELL: It's a good day.

MS. KLOS SHAPIRO: So, I'd like to provide testimony on behalf of the Early Care and Learning Council, which is the State network of Child Care Resource and Referrals in New York State. We have 35 Resource and Referrals around the State and we represent every county in the State.

So for the thousands of parents, child care providers and employers in New York State, CCR&Rs, which is what we commonly refer to ourselves as, are the key to the child care system. They help families make informed decisions about child care, recruit new providers, offer ongoing professional development and offer support to the community. Whether it be through training, teen parenting, teen mother -- I'm so sorry, teen mother mentoring, resource libraries, conferences, advisory supports or one of the other hundreds of supports they provide, these agencies, they all provide vital funding in the community.

That's just a brief background on what we do. Really, I wanted to discuss what has happened in the last several years with the CCR&Rs. Pretty much like most other non-profits, we were

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flat-funded for many years. But then in 2012, we received a cut which was pretty drastic in that it was \$1 million across our agencies that in a time where a cut seems -- you don't think it's as much except for the fact that there is no way for people to recover from the cut. Salaries were frozen, staffing had to be drastically reduced, programs started being cut and as the costs kept increasing, you know, we have trouble to provide programs at the level that we would like to.

So, we're asking that a restoration be made. At the same time, we've also offered our Infant-Toddler program. And our Infant-Toddler network has provided tremendous resources and it has been something that has been tremendously missed. It was provided through ARRA funding and what happened is the ARRA programs basically doubled in size, but then when the funding was taken away, it had to shrink back. And there was a workforce that developed and then was taken away, and the resources to our toddlers and our infants, who are at the crucial brain development phase are not being supplied the way that we would -- we know that they should be.

You've heard from countless amounts of my colleagues about the importance of child care and what happens when you don't provide quality child care, the remediation that needs to happen. And so that's why we're part of the Believe in Children Campaign, where we're asking for \$182 million for child care funding in 2014-15 to restore slots for child care, and add new child care slots.

So that's part of our ask that we have. But also, it has to do with Universal pre-K and After-School. And while I know that

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Human Services does not necessarily fund pre-K, we are community-based organizations, which do a lot of the pre-K programming. So we're very interested in making sure that the requirement to have pre-K programs in community-based organizations is held at the current 10 percent and there are supports that -- the funding will both go to community-based programs, as well as the school districts, because we're a little worried about the bond issues and construction of classrooms, primarily being just in school districts, where we know that community-based organizations are the ones that can provide the wrap-around care and the quality programs, they already are there and providing the infrastructure.

And one quality infrastructure that could be for that is the QUALITYstarsNY Program that we've had in existence for nearly five years now, and has proven and tested that it is a quality rating improvement system that can show parents the investment that quality child care can render back. It focuses primarily on ages 0-5, but there are also school-aged standards.

So, I won't waste any more of your time, but I just want to reiterate the four priorities and the restoration of funding for CCR&Rs, Infant-Toddler services and investment in QUALITYstarsNY and child care subsidies.

Thank you.

CHAIRMAN FARRELL: Thank you. Any questions?

SENATOR KRUEGER: Thank you.

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CHAIRMAN FARRELL: Have a good day.

To close, Gabrielle Horowitz-Prisco, Director,
Juvenile Justice Center, The Correctional Association of New York.

MS. GABRIELLE HOROWITZ-PRICE: Thank you.
And thank you all for being here. It's no easy feat.

My name is Gabrielle Horowitz-Prisco. I direct the Juvenile Justice Project of the Correctional Association, a non-profit organization with the unique legislative access to monitor conditions inside the adult prisons of New York. I'm here today to talk about raising the age of committal responsibility and the proposal in the proposed Executive Budget with regard to the establishment of a commission, and I also want to speak a little bit about the criteria for closing OCFS facilities, as outlined in the proposed budget.

I want to start by sharing some words by Hernan C., who is a young man who was in New York's youth justice system. These are his words: "I, Hernan C., was charged and convicted for the crime of attempted murder at age 16. I was fortunate enough to have spent four years in the juvenile justice system and not set foot in the adult system because of having committed my crime two days prior to turning 16. However, the stigma that I have from my adult conviction," he was convicted of a juvenile offense, which carries an adult criminal conviction in New York State, "has made the transition back into society very difficult. The only reason I am able to stay positive and not return to a life of crime is because I have individual people in my life who continuously remind me about what I have to

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offer my community. Not only that, I have also had an opportunity to pursue a higher education out in the community after having stepped out of the (Office of Children and Family Services) facility I was placed in with a G.E.D. and 54 college credits. I went from being an alcoholic, aggressive, out-of-control gang-banger to a college student at John Jay College of Criminal Justice and a research assistant at an organization working on policy issues."

And Hernan also sits on multiple national and State advisories and communities.

I want to contrast Hernan's story where he talks about the success he had because he was in the youth system with that of the Jonathan McClard. And some of you were here last year and I told Jonathan's story then, too. And I hope I don't have to tell it next year, because I hope that we've changed our law by then.

So Jonathan McClard is a young man who killed himself in an adult prison in Missouri when he was 17 years old. And I met his mother, Tracy, who's a school teacher, who quit her job to devote herself to raising the age of criminal responsibility across the country, and also to getting kids out of adult jails and prisons in Missouri, where she lives. And I was at dinner with Tracy at an event, it was a training for people who were working on these issues, and we sat next to each. She talked to me about how she visited Jonathan, he had been in solitary confinement. And in New York State, 16- and 17 year-olds are routinely placed, regularly placed in solitary confinement.

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And in my written testimony, I talk about some of the statistics both in the New York City jails and in the State DOCS facilities about the placement of adolescents in solitary. And just to remind you all that children in solitary confinement time are confined for 23-hours-a-day. They have their food passed to them through a slot in the door; they don't leave their cells to go to school; they're not allowed to call their parents.

So Jonathan had been in solitary confinement, and he was sentenced to a very notorious brutal adult prison where he lived, and he hung himself. And Tracy spoke to me about that experience, and about how when she saw him, how hardened he had become. And she ultimately felt that he killed himself because he was afraid of being raped in the adult institution where he was being transferred. And the National Prison Rape Association Commission has indicated that children in adult jails and prisons are at the most risk of abuse, of sexual abuse and violence of any population inside the prison system.

So look for a minute at those two stories. We have Hernan's story, and Hernan is struggling with an adult criminal record as a young man. But compare the life he has with the end of life of Jonathan. And I think what we see, and I'm not going to dig a little bit into the data, but just really elevating their stories, is that young people in the youth justice system, while not perfect, are often provided opportunities for rehabilitation. They're provided, often, the opportunity to go to school, to get educational credits, to even go to college in some instances, whereas young people in adult jails and

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prisons, while they may have some opportunities, generally do not receive the kind of age-appropriate and developmentally-appropriate rehabilitation services that have been shown to not only help young people, but also help public safety.

So, as you all know, New York is one of only two states where all 16- and 17-year-olds are automatically prosecuted as adults. I think that we've all sort of agreed in New York that the time is ripe to really look at this issue. And in the Executive Budget, there's a proposal to start a commission that would really look at -- and the Governor has announced, rather, his intention to start such a commission, and the Correctional Association supports that.

We want to talk a little bit about what we hope that commission will look like and who will sit on it in my remaining time. And I also want to just speak for a moment about youth accused of violent and serious offenses. I think a lot of the discussion to date has focused on who should be included if New York were to raise the age of criminal responsibility. And I want to really draw your attention, and it's outlined with more detail in my written testimony, that although public safety concerns are sometimes cited as a barrier to raising the age of criminal responsibility for youth charged with violent and serious crimes, there is a robust body of scientific evidence that proves that children who are prosecuted in the youth system do better, commit less crimes, recidivate less, than youth who are prosecuted as adults. It is a myth that prosecuting children as adults is tough on crime.

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Other states have raised the age of criminal responsibility and have seen violence decrease, have seen arrests decrease. Our neighbor, Connecticut, which was recently the third state, along with New York and North Carolina, has seen, since they've raised the age, not only a decrease in arrests and recidivism and violence, but they've seen an overall savings in taxpayer money, even after adjusting for inflation, and even after heavily investing in the kinds of evidence-based, family-based therapeutic programs that have been shown to reduce recidivism.

So I want to just give one example from the scientific research and, again, it's more documented in my written testimony. Jeffrey Fagan compared New York and New Jersey youths who were charged with serious offenses, including violent offenses. The New York cases originated in adult criminal court and the New Jersey cases in juvenile court. The research found that New York youth were 100 percent more likely to be re-arrested for a violent offense, and 47 percent more like likely to be re-arrested for a property offense. I'm just going to repeat that. The New York youth were 100 percent more likely to be re-arrested for a violent offense, and 47 percent more likely to be re-arrested for a property offense than the youth charged in New Jersey.

So, raising the age of criminal responsibility for all youth, including youth charged with serious and violent offenses is actually a smart way to keep New York safe, as well as to save taxpayer money in the long-term, and to ensure that young people

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have the chance to grow into the kind of healthy and productive adults that we hope they all will be, the kind of young people that Hernan is, who is now working with other youth in the system, and paving the way so other children and young adults can have the experience he did.

In light of that aforementioned research and analysis, the Correctional Association would like the commission, and urges the commission, two things: One is to really ensure that the membership base is very diverse and includes both young people and families who have been impacted by the system, as well as a diverse array of advocates, service providers and system stakeholders who can speak to the on-the-ground processes for young people in both the adult and youth system.

We also urge the commission to engage in comprehensive recommendations for youth justice reform beyond simply raising the age. Specifically, we urge the commission to develop comprehensive legislation that accomplishes the following seven goals: The first is ensuring that all youth are treated appropriately for their age in the court system, regardless of the crime they are charged with, which I just spoke about. The second is adjudicating all youth under the Family Court Act. Using the Family Court Act as the legal framework for youth ensures that age-appropriate services are available for young people. It may also increase the availability of Federal funding for the State. The third is guaranteeing that no youth are housed in adult jails and prisons, so

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that no mother has to get the phone call that Tracy McClard got, saying that her son committed suicide in an adult jail. And I do want to point out that children in adult jails are 36 times more likely to commit suicide than those in youth facilities. Jonathan's story is not an anomaly.

The next is to reduce the detention and placement in juvenile facilities. This is an opportunity to do more than simply shift kids from the adult system to the youth system. It's an opportunity to also look at the policies of detention and incarceration to see how can we save money and spend it more wisely. Incarcerating a child in an OCFS facility costs \$266,000 a year, and there aren't the best outcomes, we can do better. And finally -- I see that I'm out of time, we urge the commission to issue recommendations for comprehensive legislation that would also increase the ability to divert cases from formal court processing, tailor services to individual needs and racial disparities, and increase opportunities for older youth, including expanding youthful offender adjudication.

And I want to close by saying that although all youth are harmed greatly by New York's current practices, and although public safety is harmed by current practices, it is youth of color who are disproportionately impacted. The majority of young people who bear the serious, permanent and irrevocable harm of criminal records for things that were done at an age where you cannot get a tattoo in this State, children who are 16 years old cannot go to a fake-tanning booth, they can't -- and the organization where I work when we do a

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youth program, we have to get a permission slip if we're going to take a photo of a child, but we routinely place these same children in adult jails and prisons in the adult system, and interrogate them without their parents present. And those children are generally kids of color.

And it is time -- it's past time for New York to get in line with the rest of the country, and to use this opportunity to become a national leader. And to only catch up, but to get ahead of the country. In the words of Senator Savino, "Sometimes we follow and sometimes we lead."

SENATOR SAVINO: That's right.

MS. HOROWITZ-PRISCO: "It's time for us to lead." Thank you.

CHAIRMAN FARRELL: Thank you.

Questions?

CHAIRMAN DEFRANCISCO: Thank you very much.

MS. HOROWITZ-PRISCO: Thank you. Thanks for your patience.

CHAIRMAN FARRELL: We will adjourn until tomorrow at 10:00 a.m. Snow, rain, ice - we will be here.

(Whereupon, the Joint Budget Hearing on Human Services was adjourned at 5:37 p.m.)

