

1 BEFORE THE NEW YORK STATE SENATE FINANCE  
2 AND ASSEMBLY WAYS AND MEANS COMMITTEE

3 -----

4 JOINT LEGISLATIVE HEARING

5 In the Matter of the  
6 2017-2018 EXECUTIVE BUDGET ON  
7 HUMAN SERVICES

8 -----

9 Hearing Room B  
10 Legislative Office Building  
11 Albany, New York

12 February 8, 2017  
13 9:39 a.m.

14

15 PRESIDING:

16 Senator Catharine M. Young  
17 Chair, Senate Finance Committee

18 Assemblyman Herman D. Farrell, Jr.  
19 Chair, Assembly Ways & Means Committee

20 PRESENT:

21 Senator Liz Krueger  
22 Senate Finance Committee (RM)

23 Assemblyman Robert Oaks  
24 Assembly Ways & Means Committee (RM)

Assemblywoman Ellen Jaffee  
Chair, Assembly Children and Families  
Committee

Senator Diane Savino  
Chair, Senate Children and Families  
Committee

Senator James Tedisco  
Chair, Senate Committee on Social Services

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1 2017-2018 Executive Budget  
Human Services  
2 2-8-17

3 PRESENT: (Continued)

4 Assemblywoman Donna A. Lupardo  
Chair, Assembly Committee on Aging

5 Senator Susan Serino  
6 Chair, Senate Committee on Aging

7 Assemblyman Michael G. DenDekker  
Chair, Assembly Committee on Veterans

8 Assemblyman Mark Johns

9 Assemblywoman Latoya Joyner

10 Assemblywoman Nicole Malliotakis

11 Assemblyman Erik M. Dilan

12 Assemblywoman Michele R. Titus

13 Senator Leroy Comrie

14 Assemblyman Félix W. Ortiz

15 Senator Velmanette Montgomery

16 Assemblywoman Shelley Mayer

17 Assemblywoman Patricia Fahy

18 Senator Timothy Kennedy

19 Assemblyman Harry B. Bronson

20 Senator Roxanne J. Persaud

21 Assemblyman David I. Weprin

22 Assemblywoman Didi Barrett

23 Assemblyman William Colton

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3 PRESENT: (Continued)

4 Assemblywoman Pamela J. Hunter

5 Assemblywoman Tremaine Wright

6 Assemblywoman Vivian E. Cook

7 Assemblyman N. Nick Perry

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13 Sheila J. Poole  
Acting Commissioner

14 NYS Office of Children  
and Family Services

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15 Michael Perrin

16 Executive Deputy Commissioner  
NYS Office of Temporary  
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18 Roberta Reardon  
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20 Greg Olsen

Acting Director

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Senior Policy Analyst  
6 FPWA

-and-

7 Michelle Jackson  
Deputy Director and  
8 General Counsel  
Human Services Counsel

9 -for-

Restore Opportunity Now

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1                   CHAIRMAN FARRELL: Good morning.

2                   (Louder) Good morning.

3                   AUDIENCE: Good morning.

4                   CHAIRMAN FARRELL: All right now.

5                   We're practicing. In case anyone comes, we  
6                   can join them.

7                   (Laughter.)

8                   CHAIRMAN FARRELL: Today we begin the  
9                   eighth in a series of hearings conducted by  
10                  the joint fiscal committees of the  
11                  Legislature regarding the Governor's proposed  
12                  budget for fiscal year 2017-2018. The  
13                  hearings are conducted pursuant to Article 7,  
14                  Section 3 of the Constitution, and Article 2,  
15                  Sections 31 and 32A of the Legislative Law.

16                  Today the Assembly Ways and Means  
17                  Committee and the Senate Finance Committee  
18                  will hear testimony concerning the budget  
19                  proposal for human services.

20                  I will now introduce members from the  
21                  Assembly, and Senator Young, chair of the  
22                  Senate Finance Committee, will introduce  
23                  members from the Senate.

24                  We have been joined by Assemblywomen

1       Ellen Jaffee, Donna Lupardo, Latoya Joyner,  
2       and with Assemblymen Michael DenDekker and  
3       Erik Dilan. And, again, Assemblywoman  
4       Shelley Mayer.

5               Senator.

6               CHAIRWOMAN YOUNG: Thank you very  
7       much, Mr. Chairman.

8               Good morning, everyone, and welcome.  
9       We welcome the commissioner.

10              I'm joined by several of my  
11       colleagues. We have Senator Liz Krueger,  
12       Senator Diane Savino, Senator Tim Kennedy,  
13       Senator Jim Tedisco, and Senator Roxanne  
14       Persaud.

15              CHAIRMAN FARRELL: Before I introduce  
16       the first witness, I would like to remind all  
17       the witnesses and the members up here on the  
18       dais testifying today to keep our statements  
19       within the allotted time -- the clocks are  
20       everywhere, so you can see your time, when  
21       you start and when you end -- within the  
22       allotted time limit, so that everyone can be  
23       afforded the opportunity to speak.

24              I will now call the first witness, the



1 New York State Office of Children and Family  
2 Services, Sheila Poole, acting commissioner.

3 Good morning again.

4 ACTING COMMISSIONER POOLE: Good  
5 morning. Good morning, Chairwoman Young,  
6 Chairman Farrell, Senate Children and  
7 Families Committee Chairwoman Savino,  
8 Assemblywoman Children and Families  
9 Chairwoman Jaffee, and distinguished members  
10 of the Senate and Assembly. My name is  
11 Sheila Poole, and I'm the acting commissioner  
12 of the New York State Office of Children and  
13 Family Services. And I'm pleased to have  
14 this opportunity to discuss this year's  
15 proposed budget for OCFS.

16 The Executive Budget maintains a  
17 strong investment in OCFS's core programs  
18 that serve to protect New York's most  
19 vulnerable citizens in the critically  
20 important areas of child welfare, childcare,  
21 and juvenile justice. It maintains  
22 \$635 million for child welfare services,  
23 which provides enriched state share  
24 reimbursement of 62 cents for every local

1       dollar spent on child protective, preventive,  
2       aftercare, independent living and adoption  
3       services. This funding helps to support  
4       community-based services throughout the state  
5       and ranks among the highest in the nation.

6               The Executive Budget includes  
7       \$383.5 million in Foster Care Block Grant  
8       funding to support foster care services,  
9       including kinship-guardianship programs. A  
10       \$62 million adjustment is included in the  
11       proposed budget, and reflects a proportionate  
12       rightsizing in state share funds following  
13       the dramatic reduction in New York State's  
14       foster care population since this fund was  
15       first established in 2002. This change  
16       aligns the state's share closer to  
17       50 percent, which is consistent with the  
18       original intent of the fund.

19              The Governor has shown a steadfast  
20       commitment to persons experiencing or on the  
21       brink of homelessness in New York State. And  
22       to that end, the budget provides greater  
23       flexibility to municipalities receiving  
24       Runaway and Homeless Youth funds. The

1       proposal raises the upper age limit for  
2       programs serving at-risk youth in  
3       transitional independent living programs from  
4       age 21 to age 24, and it allows programs to  
5       extend the length of residential services  
6       from 18 to 24 months. This is an option for  
7       municipalities and is in recognition that  
8       finding long-term stable housing for homeless  
9       youth and young adults may take longer than  
10      is currently provided for in statute.

11             The proposal also allows counties the  
12      option of increasing the length of stay for  
13      runaway youth in crisis shelters from 30 days  
14      to 120 days.

15             The Executive Budget includes  
16      authority for OCFS to invest adoption  
17      assistance savings of \$7 million, which is an  
18      increase of \$2 million, for preventive  
19      services and other post-adoption services as  
20      required by federal law for children at risk  
21      of entering foster care. OCFS used savings  
22      last year to invest in the establishment of  
23      eight new Permanency Resource Centers  
24      throughout the state to support post-adoptive

1           and kinship families. In addition, we used  
2           some of the funds to expand Healthy Families  
3           NY, which as you all know is our  
4           evidence-based home visiting program. This  
5           year's additional \$2 million will allow the  
6           state to establish Permanency Resource  
7           Centers in new areas and enable further  
8           expansion of our Healthy Families program.

9                     Protecting children and keeping kids  
10           safe are our core mission at OCFS. I am sure  
11           you are all aware of recent high-profile  
12           child fatalities and child abuse cases that  
13           have occurred statewide. These cases are  
14           horrific and always lead us back to the  
15           question, What can we do to correct problems  
16           within the system, and how can we further  
17           protect the children in our state?

18                    OCFS's role is to review all of these  
19           cases, assess the adequacy of any child  
20           welfare services involvement with the family,  
21           and determine where there are failures,  
22           locally and systemically. We employ a wide  
23           range of responses and take aggressive action  
24           to address any failures, including the

1       appointment of an independent monitor, which  
2       we have done in several circumstances and,  
3       most recently, in New York City.

4               We are committed to continuing our  
5       statewide focus on improving front-line  
6       supervision of child welfare staff. We will  
7       soon unveil a new state-of-the-art project to  
8       improve training for child welfare  
9       caseworkers that includes live simulations of  
10      the complex environments and critical  
11      decision-making processes that they are  
12      called to navigate each and every day.

13             We also look to adopt best practices  
14      to bring forward new ideas for improving our  
15      system of child protection in New York State.  
16      We're examining the benefits of new  
17      technologies, such as data mining, and  
18      policies that show promise. And we plan to  
19      launch a child welfare dashboard, which will  
20      display key safety and permanency data  
21      points, which will assist local districts in  
22      their investigations and the state in its  
23      oversight role.

24             The Governor's budget includes several

1 related proposals to help low-income working  
2 families. The Executive Budget maintains our  
3 critical investment in the Child Care Subsidy  
4 program at \$806 million. New York State is a  
5 national leader in directing the majority of  
6 its entire Child Care Development Fund  
7 allocation to support childcare subsidies  
8 that are crucial to our providers and our  
9 families.

10 The Governor has proposed a  
11 \$35 million expansion of after-school  
12 programs, which is projected to add an  
13 additional 22,000 slots statewide. OCFS  
14 looks forward to administering this program.

15 In addition, the Governor continues  
16 his commitment to pre-K expansion, with an  
17 additional \$5 million investment in this  
18 year's budget.

19 This year's budget proposal also  
20 reflects the Governor's continuing commitment  
21 to raising the age of criminal responsibility  
22 in New York State. It is simply unacceptable  
23 that we have yet to raise the age. OCFS has  
24 spent the past three years significantly

1       modifying our juvenile residential programs  
2       by enhancing security, expanding educational  
3       and vocational certification programs, and  
4       developing a nationally recognized quality  
5       assurance system.

6               Youth and staff safety is the first  
7       priority, and I'm pleased to say we're seeing  
8       an overall decline in youth-on-youth and  
9       youth-on-staff violence. We are  
10      ever-vigilant in our efforts to further  
11      reduce these incidents, and we exceed the  
12      national average in staffing our secure  
13      facilities.

14             Our youth are required to participate  
15      in a full day of school, college courses or  
16      vocational programming that will increase  
17      their chances of successful reentry into  
18      their communities. We currently provide  
19      post-release supervision for juvenile  
20      delinquents, and we've created juvenile  
21      offender specialists who are working to  
22      assist parole officers in supervising youth  
23      returned to their communities.

24             It is time that we treat all 16- and

1 17-year-olds in a system that is specifically  
2 and specially designed to address their  
3 unique needs. It is time for New York to  
4 finally join the rest of the nation in  
5 recognizing the potential of our youth, and  
6 OCFS will be ready to provide that system of  
7 care.

8 Thank you for the opportunity to  
9 address all of you today, and I look forward  
10 to your comments and questions.

11 ASSEMBLYMAN OAKS: Mr. Chairman, I  
12 just would like to introduce Assemblyman Mark  
13 Johns, who's joined us.

14 CHAIRMAN FARRELL: Yes. We've been  
15 joined by Assemblywoman Fahy.

16 And first to ask questions, Chairwoman  
17 Jaffee.

18 ASSEMBLYWOMAN JAFFEE: Thank you.  
19 Thank you very much.

20 And thank you, Commissioner, for your  
21 conversation the other day -- we had the  
22 opportunity to discuss the issues in children  
23 and families -- and for your testimony today.

24 We have so many issues that really are



1           impacting our communities at this time.  
2           Poverty levels in so many areas are really  
3           shocking and impacting families and our  
4           children in so many ways. And we really need  
5           to consider a very strong response to the  
6           issues in New York State.

7                     I wanted to just go back for a moment.  
8           We had been discussing the situation  
9           regarding the federal childcare  
10          reauthorization issue, and wanted to know if  
11          you could -- I know there was a conversation  
12          recently. But if you could address what is  
13          happening and what the state will have to do  
14          if there is no additional financial  
15          assistance provided, or waivers provided to  
16          the state.

17                    ACTING COMMISSIONER POOLE: Yes,  
18          certainly. Thank you, Assemblywoman Jaffee.

19                    So just to kind of reset from where we  
20          were this time last year, having this  
21          conversation, toward the end of 2016 the  
22          federal government finally, in the last days  
23          of the administration, promulgated final  
24          regulations for the Childcare Development

1       Block Grant Act that had passed almost two  
2       years previously. And those regulations  
3       really codified expectations of states,  
4       particularly with respect to 12-month  
5       guaranteed eligibility and graduated phaseout  
6       for families having received subsidy and  
7       childcare assistance.

8               Unfortunately, when our federal fiscal  
9       year began in October of last year, we  
10      received virtually no additional funds to  
11      help us really maintain our state's  
12      investment of almost a billion dollars in  
13      childcare subsidy -- but I think even more  
14      importantly, in some respects, paralyzing us  
15      from really being able to implement the  
16      \$550 million impact that it would take for us  
17      to implement that act in all of its  
18      components in New York State.

19             And so as I sat here and spoke with  
20      you last year, our plan was to take advantage  
21      of the waivers, the waiver provisions that  
22      were contained in the act. In 2016 we  
23      applied for 11 waivers, hoping that we would  
24      be successful with the administration in

1 gathering more money to implement it without  
2 having to dip into the \$806 million that, you  
3 know, today 192,000 children count on every  
4 year.

5 So we were successful in receiving  
6 approval for 10 of those 11 waivers. The  
7 11th waiver was related to health and safety,  
8 which they did not grant to any state. And  
9 we're planning to implement the required  
10 training for that this year.

11 And so, Assemblywoman, at this  
12 particular point our intention is, once the  
13 incoming HHS secretary is appointed and  
14 confirmed by the full Senate, is to really  
15 make a case that if not monetary relief to  
16 implement the act, then certainly regulatory  
17 relief is essential to our state in being  
18 able to maintain our current level of  
19 subsidies that all of our low-income working  
20 families are counting on, and to have them  
21 understand that simply crippling states in  
22 being able to implement the act is not  
23 helping us.

24 So that's our intention, is to seek

1 regulatory relief. I also want to be clear  
2 as we sit here today, and throughout the  
3 remaining year, we will not face any fiscal  
4 penalties, so none of our current federal  
5 funding, CCDF funding, will be at any risk.

6 ASSEMBLYWOMAN JAFFEE: It is certainly  
7 a challenge, especially given the need for  
8 childcare in our state.

9 ACTING COMMISSIONER POOLE:  
10 Absolutely.

11 ASSEMBLYWOMAN JAFFEE: I know the  
12 Governor, provided within the context of the  
13 budget, a pretty much flat amount, similar to  
14 what we had last year, in funding for  
15 subsidies for childcare. And that's a major  
16 concern, given that, from the numbers that  
17 I've seen, that indicates only about  
18 17 percent of the children who actually  
19 qualify for subsidies in our state are being  
20 provided the childcare opportunity.

21 ACTING COMMISSIONER POOLE: Yes.

22 ASSEMBLYWOMAN JAFFEE: Which is, you  
23 know, devastating for so many of the families  
24 in New York State, and the children and their

1 preparedness for the future, and stability in  
2 allowing families, and mothers in particular,  
3 to work.

4 ACTING COMMISSIONER POOLE: So I would  
5 say that from OCFS's point of view, the  
6 federal government is really now expecting  
7 states to essentially self-subsidize their  
8 subsidy program. That's the first thing.

9 The second thing I would also like to  
10 say is that I think there are a number of  
11 proposed initiatives in the Executive Budget  
12 that I think hold the promise of relieving  
13 some of the pressure, if not all, but some of  
14 the pressure on the current subsidy programs.  
15 The Governor is proposing an expansion of  
16 pre-K, a \$5 million expansion. And then in  
17 addition to still having the Earned Income  
18 Tax Credit, there is a proposal, which we're  
19 really excited about, to expand after-school  
20 program slots, 22,000 of them. And again,  
21 those are families now who might be relying  
22 on a subsidy for part of after-school care.  
23 And if we open up more of the school-age  
24 childcare program slots, then we could

1           potentially relieve some of the pressure at  
2           least that we're bearing on the subsidy  
3           program.

4                   ASSEMBLYWOMAN JAFFEE:  Another concern  
5           for many of our municipalities is the  
6           decision to mandate discretionary Title XX  
7           funds to be used by the counties, to be used  
8           towards childcare.  But that then creates a  
9           continued burden for our municipalities.  So  
10          how will the Office of Children and Family  
11          Services then assist the districts to be able  
12          to eliminate -- let's say, how are they going  
13          to respond if there are human services  
14          programs like senior centers and other  
15          services that they need to provide assistance  
16          to as well?

17                   So this becomes a major issue,  
18          especially since our municipalities, with the  
19          2 percent cap, are finding it's very  
20          difficult and challenging to be able to  
21          continue to respond to the needs of the  
22          community.

23                   ACTING COMMISSIONER POOLE:  Yes.  So  
24          when we looked at the Title XX -- and it's

1       the "all other," it's not the general  
2       Title XX which is set aside for domestic  
3       violence and adult protective services. But  
4       that really remaining \$26 million of the  
5       Title XX, all other allocation. You know,  
6       today 65 percent of local departments of  
7       social services already devote part or whole  
8       of that allocation of childcare. So again,  
9       that's not every place. Certainly New York  
10      City has used a portion of that funding to  
11      fund the senior centers.

12             And, Assemblywoman Jaffee, I would  
13      just kind of explain that I think the concept  
14      here in developing this year's Executive  
15      Budget was not just looking at one funding  
16      stream and its impact, but looking across the  
17      spectrum of funding investments that are  
18      going to municipalities.

19             And so, you know, with respect to the  
20      senior center issue, which is most notable in  
21      New York City, you know, I think when you  
22      look on the Executive Budget as a whole,  
23      there's an additional \$400 million that's  
24      going to the city, who is also not held to

1       the same tax cap as upstate. So the thinking  
2       is that the city will have some flexibility  
3       within that additional state funding to, if  
4       they choose, to decide to support those  
5       programs.

6               There are other upstate --  
7       Assemblywoman, you know, there are other  
8       funding streams that could perhaps be tapped  
9       into. If they're using -- for example, using  
10      it for some child welfare services part of  
11      the budget. You know, part of the budget  
12      today calls for the reauthorization of the  
13      open-ended Child Protective 6238  
14      reimbursement, which you've all supported.  
15      And again, you know, that's one funding  
16      stream that has some flexibility. That  
17      certainly we're more than willing to work  
18      with the districts in identifying potential  
19      other funding streams.

20              ASSEMBLYWOMAN JAFFEE: That would be  
21      very helpful moving forward, because I know  
22      that this will be very challenging for them.

23              There also was a decision within the  
24      context of the budget to eliminate



1 reimbursement for New York City, the CSE  
2 placements. Why is that change only focusing  
3 on New York City and not the whole state?  
4 Actually, I wouldn't want it to be for  
5 anyone, but why is it just focused on  
6 New York City?

7 ACTING COMMISSIONER POOLE: So there's  
8 two parts to that. So one, you know, in my  
9 testimony that, you know, we're recalibrating  
10 the Foster Care Block Grant because we've had  
11 almost a 60 percent decrease in the past 15  
12 years in the number of children in foster  
13 care, but we've never rightsized the Foster  
14 Care Block Grant allocation. And so part of  
15 that does pay for the tuition costs for  
16 children.

17 The other piece of it are the CSE  
18 placements in New York City that, again, in  
19 the context of the overall budget, the  
20 state's current proposal will bring an  
21 additional \$300 million in school aid to  
22 New York City. And so I think the  
23 expectation is that given that dramatic  
24 increase in state education funding, that the

1 city could pay for tuition and education  
2 costs for its youth determined to need  
3 placement by the local Committees on Special  
4 Education as well as children who are in  
5 foster care in the city.

6 CHAIRMAN FARRELL: Thank you.

7 ASSEMBLYWOMAN JAFFEE: My time is up.  
8 Thank you. We'll continue after a while.

9 CHAIRMAN FARRELL: We've been joined  
10 by Assemblywoman Pam Hunter and Assemblyman  
11 Dave Weprin.

12 ASSEMBLYMAN OAKS: We've also been  
13 joined by Assemblywoman Malliotakis.

14 CHAIRMAN FARRELL: Senator?

15 CHAIRWOMAN YOUNG: Thank you very  
16 much.

17 And again, thank you, Commissioner,  
18 for being here.

19 I do want to follow up on  
20 Assemblywoman Jaffee's questions regarding  
21 childcare. You talked about the childcare  
22 subsidy financing change, and as you pointed  
23 out, the Executive Budget maintains the  
24 current \$810 million level of childcare

1       subsidy funding by requiring the counties to  
2       allocate the \$27 million they currently  
3       receive in discretionary federal Title XX  
4       block grant funds to childcare.

5               So you're changing it so that they are  
6       mandated to allocate that towards childcare.  
7       And as you pointed out in your answer  
8       previously, that a lot of the localities are  
9       already using those funds for childcare.

10              So if the funding is the same but all  
11       of a sudden you're mandating that they  
12       allocate that \$27 million -- you require  
13       them -- toward childcare, isn't that going to  
14       result in a reduction of funding to some of  
15       the counties if they're already using it for  
16       childcare and then you're piling additional  
17       costs on top of that?

18              ACTING COMMISSIONER POOLE: The way I  
19       would answer that, Senator, is that typically  
20       each year the way that the subsidy is funded  
21       is a combination of General Fund, CCDF, TANF  
22       funding. And every year there's a decision  
23       made about where those funding streams --  
24       which contribute most to it.

1                   And so I think at the end the  
2                   commitment remains to the \$806 million. The  
3                   difference is how those individual funding  
4                   streams were constructed to add up to the  
5                   \$806 million.

6                   CHAIRWOMAN YOUNG: So I do think,  
7                   however, this could result in an unfunded  
8                   mandate on some of the counties. So I would  
9                   urge you to take a look at that.

10                  ACTING COMMISSIONER POOLE: Certainly.

11                  CHAIRWOMAN YOUNG: Also, related to  
12                  childcare -- and again, I thank my colleague  
13                  for touching on this -- but there was  
14                  discussion regarding the new regulations  
15                  coming out of the federal government. And  
16                  I'm glad to hear that you were able to secure  
17                  10 waivers. I think that they could have  
18                  been up to three years, but it's my  
19                  understanding I just heard that they're only  
20                  one-year waivers that you were able to  
21                  secure.

22                  ACTING COMMISSIONER POOLE: That's  
23                  correct.

24                  CHAIRWOMAN YOUNG: So if it's only one

1       year, and you talked about trying to get  
2       regulatory or monetary relief out of  
3       Washington, what are the updated estimates on  
4       the costs of implementing the following  
5       provisions? If we are aren't able to get any  
6       relief out of Washington, I'd like to know,  
7       what will it cost for the increased provider  
8       inspection requirements, for example?

9                ACTING COMMISSIONER POOLE: So the two  
10       most expensive pieces of the \$555 million  
11       total are the 12-month guaranteed eligibility  
12       and the second is the graduated phaseout.  
13       And those two, combined, account for  
14       \$441 million of the \$555 million.

15               And then there are additional costs  
16       for the clearances -- I think that's in the  
17       ballpark of \$34 million, \$36 million -- the  
18       background clearance checks, and then the  
19       additional inspections, and then staff and  
20       provider training.

21               But certainly, Senator, when we look  
22       at those two provisions in and of themselves  
23       that are most subsidy-related, that's where  
24       the large cost is. And that's where, getting

1 back to the earlier conversation, it's so  
2 problematic for us to really implement the  
3 act, given that there's no new federal  
4 funding for additional subsidies. That's our  
5 challenge.

6 CHAIRWOMAN YOUNG: Will OCFS need  
7 additional staff to be able to do the  
8 training and the inspections?

9 ACTING COMMISSIONER POOLE: Yes. We  
10 would absolutely need additional staff to  
11 take on the additional requirements. So, you  
12 know, the act calls for additional visits to  
13 regulated providers, but part of this act  
14 also really focuses on the legally exempt  
15 community. And currently we do about  
16 20 percent inspections of those. And if we  
17 were to implement the act, that would be an  
18 additional expense as well.

19 CHAIRWOMAN YOUNG: Have you done an  
20 analysis as to what the cost would be?

21 ACTING COMMISSIONER POOLE: Not in the  
22 past year, Senator.

23 CHAIRWOMAN YOUNG: Do you envision  
24 that the state would take on the

1 responsibility for the background checks, or  
2 would that be passed along to the providers?

3 ACTING COMMISSIONER POOLE: You know,  
4 our intention is, to the extent possible, not  
5 passing along those costs to providers.  
6 Certainly wholly. Or, you know, passing them  
7 along to local departments of social  
8 services. We recognize, you know, the  
9 challenges that they have.

10 And again, that's part of what's been  
11 difficult, is not wanting to cut subsidy and  
12 not wanting to implement this bill on the  
13 backs of childcare providers and on the backs  
14 of local departments of social services.

15 CHAIRWOMAN YOUNG: Thank you.

16 So studies have shown that New York is  
17 the most expensive state to obtain childcare,  
18 and the costs are already very high. I've  
19 heard from a lot of my providers about the  
20 increase in the minimum wage and labor costs.

21 So is there anything that OCFS is  
22 doing to streamline processes and otherwise  
23 reduce the costs for the providers of doing  
24 business in New York? Because they need some

1           kind of relief.

2                   ACTING COMMISSIONER POOLE: Yeah. So,  
3           you know, I think we have -- at OCFS we've  
4           adopted the Toyota business reengineering  
5           process to try and reduce processes that can  
6           delay providers from becoming licensed and  
7           expedite their ability to draw down subsidy  
8           and payment.

9                   But with specific respect to the  
10          incremental costs that are the costs of doing  
11          business in New York City -- every two years,  
12          we are required, Senator, to do what's called  
13          a market rate survey. And so we do 25  
14          percent of our regulated providers across the  
15          state, make sure we cover all of the regions,  
16          and we ask them what is the cost, what are  
17          they charging to private-pay parents. And  
18          there's a very complicated calculation that's  
19          done. And based upon that, we set new market  
20          rates in the state.

21                   So at least in part, those new market  
22          rates do reflect the actual costs of doing  
23          business for providers. So that's one way,  
24          Senator, that we're trying to help, you know,



1           mitigate those cost-of-living increases for  
2           providers by doing that market rate analysis  
3           every two years.

4                   CHAIRWOMAN YOUNG: Thank you.

5                   Just switching gears, you and I have  
6           had good conversations about Raise the Age.  
7           But assuming that the law is passed and takes  
8           effect, would 16- and 17-year-olds be placed  
9           in existing secure detention facilities,  
10          along with the current youth population, or  
11          would they be segregated out and placed  
12          separately?

13                   ACTING COMMISSIONER POOLE: So there's  
14          two types of detention that would be used in  
15          the new Raise the Age scenario. So one is  
16          that 16- and 17-year-olds who are now  
17          detained in local jails would be temporarily  
18          detained pre-adjudication in locally  
19          administered secure detention facilities.

20                   So the answer to that is that, you  
21          know, we have some underutilization in the  
22          state's secure detention facilities that we  
23          think is enough to at least get us started  
24          with having capacity in January of '19.

1           As to the additional, right, the  
2           post-placement secure facilities which we at  
3           OCFS would operate, we have some  
4           underutilization, but we would, Senator, be  
5           bringing online several new secure facilities  
6           to specifically serve the newly sentenced 16-  
7           and 17-year-olds.

8           CHAIRWOMAN YOUNG: Where would those  
9           be located?

10          ACTING COMMISSIONER POOLE: We haven't  
11          made that determination yet, Senator.

12          Certainly there are, you know, many  
13          facilities across the state. There's  
14          facilities that we and other state agencies  
15          have decommissioned over the years. So  
16          again, I think, you know, when we get to that  
17          point, it's really taking a fresh look at  
18          where the physical assets exist throughout  
19          the state and where we can implement building  
20          those facilities in the most responsible and  
21          fiscally prudent way.

22          CHAIRWOMAN YOUNG: As you know, I've  
23          been deeply concerned for a long time over  
24          the level of violence in the youth

1 facilities. And we know the workers' comp  
2 cases were exploding because of the violence.  
3 And I'm very happy to hear you say that the  
4 incidence of youth-on-youth violence and  
5 youth-on-staff violence have declined. But  
6 do you have any statistics that you could  
7 share with the Legislature in that regard?

8 ACTING COMMISSIONER POOLE: Certainly.  
9 I don't have them here with me today, but  
10 we'd be happy to provide any information --

11 CHAIRWOMAN YOUNG: So you could do  
12 some kind of comparison of previous years and  
13 what the incidents are now?

14 ACTING COMMISSIONER POOLE: Yes.

15 CHAIRWOMAN YOUNG: Okay, that would be  
16 great.

17 ACTING COMMISSIONER POOLE: Of course.

18 CHAIRWOMAN YOUNG: Well, we've always  
19 had trouble getting that in the past, just so  
20 you know.

21 What training do youth development  
22 aides in secure detention facilities  
23 currently receive with regard to how to  
24 handle these violent incidents?

1                   ACTING COMMISSIONER POOLE: So today  
2                   in OCFS's system, all newly hired youth  
3                   development aides receive about 200 hours of  
4                   training. So we call it academy training.  
5                   So they learn a variety of skills. They  
6                   certainly learn about youth development, you  
7                   know, developmental phases of young people.  
8                   They learn about trauma, which we've all  
9                   talked about. The brain research certainly  
10                  supports that many young people in the  
11                  juvenile justice system have come from a lot  
12                  of trauma in their lives.

13                  We spend a lot of time, Senator,  
14                  training staff on deescalation techniques.  
15                  Our goal, when young people are having  
16                  trouble in the facilities, is to the greatest  
17                  degree possible deescalate them, through  
18                  counseling or through individualized  
19                  planning, given what an individual youth's  
20                  triggers might be. But we also certainly  
21                  employ a wide variety of restraint  
22                  techniques, and so those are taught as well  
23                  in our academy.

24                  And then within -- you know, every

1       year thereafter, there are a set number of  
2       additional trainings that we do provide to  
3       staff as refreshers and further staff  
4       development.

5               So I think, on whole, we have a pretty  
6       robust training program for our staff. In  
7       fact, I think you all know that DOCCS brought  
8       online the Hudson facility last December, and  
9       we were very happy to be asked by DOCCS to  
10      assist in training their staff, the  
11      correction aides and their clinicians, on  
12      pieces of our model and our juvenile justice  
13      system. So we've got a nice relationship  
14      with DOCCS.

15             And likewise, Senator, you know, as I  
16      said to you last evening, we are always  
17      looking at ways within OCFS facilities to  
18      make them more safe and more secure for  
19      staff. And so we've partnered with DOCCS  
20      where they have demonstrated some techniques,  
21      and we've adopted some of those that, again,  
22      we are comfortable with, given that we are  
23      serving juveniles and young people, right,  
24      and not adult prisoners.

1                   So I think we've struck a really good  
2 balance and have a good relationship with  
3 DOCCS and DCJS and SCOC as well.

4                   CHAIRWOMAN YOUNG: Thank you.

5                   CHAIRMAN FARRELL: Thank you.

6                   We've been joined by Assemblywoman  
7 Didi Barrett and Assemblyman Bronson.

8                   Next to question, Chairwoman Lupardo.

9                   CHAIRWOMAN YOUNG: We've been joined  
10 by Senator Sue Serino.

11                  ASSEMBLYWOMAN LUPARDO: Thank you,  
12 Mr. Chair.

13                  Good morning, Commissioner. It's nice  
14 to see you. It looks like our paths are  
15 crossing over the Title XX issue now that I  
16 chair the Aging Committee. Obviously there's  
17 a lot of concern about this redirecting of  
18 these funds, specifically the New York City  
19 senior center issue, which puts probably  
20 65 centers in jeopardy.

21                  Not to go over questions that have  
22 already been asked, but do you have a  
23 breakdown of how the counties are in fact  
24 spending that? Because I know my county uses

1           it on adult protective services and have  
2           expressed a concern that with this  
3           redirection, it does in fact amount to an  
4           unexpected cost on their side, an unfunded  
5           mandate.

6                       So do we have that breakdown? Because  
7           I know you pretty much --

8                       ACTING COMMISSIONER POOLE: We  
9           certainly do. We can tell from claims  
10          submitted. And again, I want -- you know, I  
11          might have confused folks earlier, but  
12          there's two -- under Title XX, there's two  
13          pots of money. So the total pot is around  
14          \$96 million, \$97 million. Sixty-six million  
15          of it has been and continues, in the  
16          Executive Budget, to be set aside for  
17          supporting protective services for adults as  
18          well as domestic violence services.

19                      But we can tell, to your question,  
20          Assemblywoman, of the Title XX other, from --  
21          again, we'll have to do a deeper dive into  
22          claims, but which counties are using the  
23          Title XX other, the \$26 million for other  
24          reasons.

1                   And again, we will work with any  
2                   county in my finance office to figure out  
3                   what other potential funding streams there  
4                   might be to help mitigate some of those local  
5                   impacts. Maybe there's some FFFS money or  
6                   some other discretionary pot of money that  
7                   they could claim for in a different way.

8                   ASSEMBLYWOMAN LUPARDO: Yeah, it's  
9                   very hard to analyze the impact without  
10                  seeing those numbers, so that would be  
11                  appreciated.

12                 ACTING COMMISSIONER POOLE: Sure.

13                 ASSEMBLYWOMAN LUPARDO: But I can tell  
14                 you there will be a lot of distress expressed  
15                 from those seniors, I can tell you that, in  
16                 New York City. So that will be coming your  
17                 way, I'm sure.

18                 I have a question about the  
19                 after-school additional appropriation. So  
20                 obviously that's very good news. And we've  
21                 worked very hard to get the concern for  
22                 after-school programing and the need for  
23                 these slots on the radar for quite some time.

24                 So I'm wondering, what was the



1           thinking behind allocating the \$35 million  
2           through the Anti-Poverty Initiative? There  
3           are those 15 or 16 communities that have been  
4           established, and mine is one of them, so I'm  
5           happy about that. But I'm curious, how was  
6           it put together that those funds would go  
7           through the poverty initiative?

8                    ACTING COMMISSIONER POOLE: Quite  
9           frankly, I think that the thinking is that  
10          those are our most vulnerable communities and  
11          that when we have additional funding, that we  
12          want to try and point dollars, as much as we  
13          can, to those communities who are in many  
14          instances very service-poor and who need  
15          services like childcare and after-school.

16                   But certainly, Assemblywoman, we  
17          recognize that if we were in a different  
18          place financially, right, there's always a  
19          need for more after-school programs. But the  
20          intention is to try and be raising up those  
21          identified communities across the state who  
22          have really profound concerns with  
23          homelessness and lack of employment and a  
24          need really for more community-based

1 services. So that's really the intention.

2 ASSEMBLYWOMAN LUPARDO: So how will  
3 those funds be administered? Will they be  
4 administered through existing programs, like  
5 Advantage After School, or will we be  
6 creating another entity entirely that will be  
7 directed towards those united ways --

8 ACTING COMMISSIONER POOLE: Our goal  
9 is not to create yet another, right, another  
10 model of program. You know, this money  
11 actually will be in the State Ed Department's  
12 budget, but it will be suballocated to OCFS.

13 So, Assemblywoman, as we typically do,  
14 we would issue a request for proposals.  
15 Again, targeted to those 16 anti-poverty  
16 communities, and they would be able to  
17 respond with proposals.

18 ASSEMBLYWOMAN LUPARDO: Just one other  
19 track. If we could go back to the childcare  
20 issue. Maybe I'm a skeptic, but I'm not  
21 expecting much regulatory or financial relief  
22 coming from Washington, especially these  
23 days. And you said you were waiting for the  
24 new Secretary of Human Services to arrive.

1                   ACTING COMMISSIONER POOLE: Yes.

2                   ASSEMBLYWOMAN LUPARDO: They seem to  
3                   be more focused on tax credits. And we have  
4                   an initiative in the budget this year for tax  
5                   credits. I think some of us have felt that  
6                   for a long time we've ignored sort of the  
7                   childcare industry as a whole, where workers  
8                   are underpaid, centers are closing because  
9                   they haven't gotten the reimbursements.  
10                  We've discussed the market survey.

11                  So I'm just curious as to -- what is  
12                  our ballpark plan? Because you know where  
13                  we're potentially heading. When we have so  
14                  many kids on a waiting list or so many who  
15                  are unserved, how do we turn around and cope  
16                  with that potential looming crisis?

17                  ACTING COMMISSIONER POOLE: Those are  
18                  the very kinds of questions, Assemblywoman,  
19                  that we ask ourselves, you know, at OCFS.

20                  And again, given that this is a new  
21                  administration that we've heard seems to be  
22                  leaning toward regulatory relief, we are  
23                  hopeful that we will make some progress.

24                  And the other thing I would say is

1       that we are carefully watching other states  
2       who have gone forward and who have  
3       implemented some parts of the Childcare  
4       Development Block Grant act. And, you know,  
5       it's concerning what we're already seeing in  
6       other states. It's not surprising. And it's  
7       in fact the reason why we have chosen the  
8       path we have in New York today. States like  
9       Connecticut and Vermont and even  
10      Mississippi -- Mississippi's waiting list --  
11      they never had a waiting list prior to  
12      implementing the CCDBG Act, but now their  
13      waiting list, as we understand it, is almost  
14      now as high as the active caseload of  
15      families who are receiving subsidy.

16             You know, Connecticut has seen waiting  
17      lists for families growing exponentially.

18             And so our hope is that these other  
19      states are now going to join us in really  
20      pressing for some federal relief, because at  
21      some point, right, the bottom is going to  
22      drop out and families are going to be waiting  
23      for very, very, very long periods of time to  
24      be able to access care.

1                   So again, I think that's a very  
2                   legitimate question that you ask. But we  
3                   have got to give this our very best shot in  
4                   Washington in helping folks really understand  
5                   what this means to low-income working  
6                   families.

7                   ASSEMBLYWOMAN LUPARDO: I think people  
8                   are surprised when they learn -- and I want  
9                   you to correct me if I'm wrong -- that over  
10                  80 percent of children who are eligible for  
11                  childcare subsidies are not receiving them,  
12                  that we really aren't getting ahead in this  
13                  game. We're not able to add new slots, we're  
14                  playing catch up. And with this worry, it  
15                  just compounds it.

16                 Is that correct, that we do have  
17                 almost 83 percent of children who are  
18                 eligible for subsidies unserved?

19                 ACTING COMMISSIONER POOLE: Yes, I do  
20                 believe that's an accurate figure.

21                 ASSEMBLYWOMAN LUPARDO: Yeah. It's  
22                 very hard to get ahead when we're playing  
23                 catch up like this.

24                 ACTING COMMISSIONER POOLE: It is. It

1 is. And it doesn't help when, again, we are  
2 getting almost no additional support from the  
3 federal government. And on top of which,  
4 good luck, states, with implementing a  
5 \$550 million Child Care Development Block  
6 Grant Act. We're in a very, very tough  
7 place.

8 ASSEMBLYWOMAN LUPARDO: Thanks for  
9 your work.

10 CHAIRMAN FARRELL: Thank you.  
11 Senator?

12 CHAIRWOMAN YOUNG: Thank you.  
13 Senator Persaud.

14 SENATOR PERSAUD: Good morning,  
15 Commissioner.

16 Getting back to the childcare  
17 financing with the elimination of funding for  
18 kids with special needs and payments for  
19 tuition, have you spoken with the school  
20 districts on how that's going to affect them  
21 and how they'll bridge that gap?

22 ACTING COMMISSIONER POOLE: No, we've  
23 not had conversations with the local school  
24 districts, Senator.

1           But again, you know, as I said  
2           earlier, you know, we are -- and the Governor  
3           has increased the school aid budgets not only  
4           in the New York City area, but certainly  
5           statewide. And again, that's the belief,  
6           that the local school districts, with the  
7           increased aid, can take responsibility for  
8           those costs that to date have been falling to  
9           the foster care system.

10           SENATOR PERSAUD: We know that foster  
11           care has been underfunded, and so now we're  
12           cutting more of their funding. How is the  
13           municipality going to be able to afford that?

14           ACTING COMMISSIONER POOLE: I don't  
15           know what specific aspect of foster care that  
16           you're suggesting is underfunded.

17           SENATOR PERSAUD: I think in general  
18           the foster care population has been  
19           underfunded. There are things that we should  
20           be funding -- for example, more of tuition or  
21           transportation, more of housing. They're not  
22           receiving that. And now we're taking away  
23           from another vulnerable part of the  
24           population, the special needs population, and

1           we're asking those agencies to fund them. So  
2           you are telling them to take away the funding  
3           from what was already underfunded to take  
4           care of them. How should they do that?

5                    ACTING COMMISSIONER POOLE: Well, the  
6           other thing I think that is again  
7           important -- and I hear you, Senator. You  
8           know, we will never, right, in our lifetimes  
9           have enough to do everything that we all know  
10          we want to do and could do for our vulnerable  
11          families in this state. And I think that's  
12          true of every place in the country.

13                   But something for us to remember and  
14          be proud of is that, you know, we are one of  
15          the very few states that funds preventive  
16          services in as richly a way as we do in  
17          New York State. If you talk to other states,  
18          you know, there's virtually very little and  
19          sometimes no state support for preventive  
20          services. That's why their foster care  
21          numbers are exploding, and have been. We've  
22          had the exact opposite experience in our  
23          state, that because we provide 62 cents of  
24          every dollar to local districts, that we've



1       been able to keep down the number of kids in  
2       foster care and really create across the  
3       state I think a very rich array of services  
4       for those families who are vulnerable and  
5       whose children may be at risk of coming into  
6       care.

7               SENATOR PERSAUD: Thanks for saying  
8       that New York is, you know, beyond everyone  
9       else, because we want to make sure that  
10      everyone follows our lead. We don't want to  
11      be like the other states.

12             But our foster care population, it's  
13      not a population that we should cut funding  
14      from. You know, it's a needy population. We  
15      have too many foster care kids who are moving  
16      to the homeless population. You know,  
17      they're moving -- when they're aging out,  
18      there are not the services there, and so  
19      they're not being prepared.

20             So when we're cutting the funding  
21      while they're in the pipeline, we're really  
22      pushing them out onto the street, into the  
23      homeless population. And we were trying not  
24      to do this.

1           ACTING COMMISSIONER POOLE:  If I  
2           could, Senator, just on that point, just add  
3           a couple of things that we are doing.

4           So last year, you know, the Governor  
5           had the \$2 billion supported housing  
6           proposal, so young people leaving foster care  
7           and leaving the juvenile justice system are  
8           in the population to be served in those  
9           programs.

10          I think the other thing that we've  
11          been very focused on in New York with respect  
12          to our youth aging out of foster care is to  
13          make sure that those who are in interested in  
14          postsecondary education and college have the  
15          opportunity to go to college and to stay in  
16          college.  And we've really been very grateful  
17          for the partnerships that we've forged with  
18          the Higher Education Services Corporation to  
19          make sure that we in child welfare really  
20          understand the types of financial aid that's  
21          available for youth exiting care.

22          And we're doing a lot of work with  
23          SUNY and CUNY because unfortunately, while  
24          we're doing a better job of having young

1       people leave care and go to college, there's  
2       a lot of drop-off when they're there because  
3       they need a lot of wraparound support. And  
4       so we're doing a lot with SUNY to try and  
5       institutionalize some of those supports that  
6       our young people need on the campuses.

7               And just this past December we were  
8       able to, working with SUNY and CUNY, we were  
9       able at OCFS to allow funding for young  
10      people who didn't have a place to go home to  
11      for the long holiday break. You'd be  
12      surprised how many young people in  
13      colleges -- and not just young people in  
14      foster care -- have no place to go during  
15      college breaks. And so the schools were  
16      great in allowing our young people to stay  
17      with them.

18             Is that enough? No. We have more to  
19      do. But I also think that this is an  
20      opportunity for all of you to hear from me  
21      about the other pieces of work that we're  
22      focused on to try and improve the lives of  
23      young people in foster care. And we'll keep  
24      at it, Senator.

1                   SENATOR PERSAUD: Thank you. I just  
2                   wanted to mention one thing. You talked  
3                   about the kids not having a place to go over  
4                   the long holidays. I was a college  
5                   registrar, and both colleges that I was at,  
6                   that's something that they did. They were  
7                   private colleges, but that's something they  
8                   did. And I think we should encourage  
9                   colleges across the board to do that for more  
10                  of the students.

11                 Thank you, Commissioner.

12                 ACTING COMMISSIONER POOLE: Thank you,  
13                 Senator.

14                 CHAIRWOMAN YOUNG: Thank you.

15                 CHAIRMAN FARRELL: Assemblywoman Fahy.

16                 ASSEMBLYWOMAN FAHY: Thank you,  
17                 Mr. Chairman.

18                 And thank you, Commissioner. Thank  
19                 you for being here today.

20                 I just want to mention a couple of  
21                 things and a couple of questions, couple of  
22                 comments. And I just want to piggyback on a  
23                 question earlier from I think Senator Young,  
24                 regarding the youth violence in prisons. And

1 I'm encouraged to hear that you mentioned  
2 that the numbers are coming down. Are there  
3 new strategies that have been developed  
4 that -- I know you said you would follow up  
5 with the statistics, and I would welcome  
6 those as well. Are there some new strategies  
7 that you want to mention?

8 I have a couple of other questions  
9 too, so I'll just be brief.

10 ACTING COMMISSIONER POOLE: Sure.

11 Yes. So I'm happy to talk about that. So in  
12 our OCFS juvenile justice facilities, we've  
13 done a lot of things to strengthen our  
14 overall security.

15 So we've spent a lot of time making  
16 sure that we have cameras so that we are  
17 watching what's going on both with youth and  
18 with our staff, making sure that folks are  
19 doing the really critically important job  
20 that we need them to do.

21 We have made investments in a  
22 statewide facility security director, and  
23 this person goes about several times a year  
24 actually through each facility in great

1 detail, again, making sure that contraband is  
2 not being hidden, that we don't have other  
3 potential physical risk factors in the  
4 facilities.

5 We have formed a statewide search team  
6 that goes into facilities unannounced to  
7 search for contraband. Because again, that  
8 is a -- as you all know very well, when  
9 contraband starts getting in, that can create  
10 a lot of problems in the facility.

11 We are equipping our staff with  
12 state-of-the-art radios that have personal  
13 safety devices on it, it's almost like a GPS,  
14 for staff who are in the facility. So if  
15 there's an issue, we can tell with great  
16 precision not just what building they're in,  
17 but actually what room or closet they may be  
18 in.

19 So we have done -- you know, we have  
20 instituted a clear-bag policy, we call it, so  
21 that both staff and visitors who are coming  
22 into the facility can't bring just their big  
23 backpack or duffel bag, that there are clear  
24 bags that they must put any possession that

1           they're bringing into the facility. So  
2           again, we're trying to manage contraband.  
3           Actually DOCCS, you know, consulted with us  
4           on that, and we were happy to share the work  
5           that we've done.

6                     But most importantly, or equally  
7           importantly, Assemblywoman, is -- and I said  
8           this to Senator Young last night -- you know,  
9           safety in the facility is paramount to doing  
10          anything else, right, to running an  
11          educational program, to having youth feel  
12          safe in vocational settings or participating  
13          in treatment. And we have spent a lot of  
14          time in the past years really building up our  
15          educational programs for young people. I am  
16          really proud of the work that we've done,  
17          especially in our secure facilities where of  
18          course young people stay the longest, right,  
19          serving out their sentences with us.

20                    So we've had a number of staff obtain  
21          their associate's degrees while they are with  
22          us, within the walls of a secure facility.  
23          We actually have wonderful partnerships with  
24          Colombia-Greene Community College. They come

1       into our Brookwood secure facility and bring  
2       their classroom, professors and students,  
3       into the facility so that our youth can  
4       participate.

5               And then of course not every youth,  
6       right, has an interest or is able to attend  
7       college. And we've done a lot of work on  
8       creating meaningful certification programs so  
9       that when young people leave -- and we're  
10      trying to promote successful reentry -- that  
11      they have a greater likelihood of getting a  
12      job.

13             So we've got an Energy Warrior Program  
14      with Cornell Cooperative Extension where  
15      young people can actually be certified in  
16      installing weatherization -- what do they  
17      call that -- insulation that you blow into  
18      the walls and that, you know, again, they can  
19      get a job. We have a flagger certification  
20      that they can use with transportation to  
21      assist on road projects. We have an  
22      aquaponics certification, which I'd love any  
23      of you here to come and visit, particularly  
24      our industry -- limited secure residential



1       program. We have got a phenomenal aquaponics  
2       program where we grow tilapia and lobsters  
3       and very expensive lettuce that they're  
4       turning around as an industry and selling to  
5       local restaurants.

6               So we're really focused on things that  
7       are of interest to young people while they're  
8       with us, because when they're engaged, right,  
9       they're more successful. When you have  
10      engaged youth, either in school all day or in  
11      enhancement activities, you are maintaining  
12      safety in the facility.

13             So we, Assemblywoman, have put  
14      tremendous effort into trying to improve  
15      those components.

16             ASSEMBLYWOMAN FAHY: Thank you. And I  
17      really am pleased to hear you say the focus  
18      is on education and training, especially on  
19      some of the green jobs, where we know those  
20      jobs are growing. And I think it is -- you  
21      also took a word right out of my mouth, which  
22      is engagement. And the more we have engaged  
23      youth, the less we have behavioral issues.

24             So I am encouraged, and I do look

1 forward to the statistics.

2 I just -- I know I'm out of time, so I  
3 just want to mention a couple of other  
4 things. The SUNY CUNY childcare subsidy,  
5 that cut is very disconcerting, because that  
6 is a need. Again, we can't keep students  
7 engaged if those that need it don't have the  
8 access to childcare.

9 And it is the same with the childcare  
10 subsidy. I know we've heard it already this  
11 morning, but I think it is critically  
12 important that we not cut the subsidy that is  
13 going to our local social service agencies,  
14 because again that -- it struck me as another  
15 unfunded mandate not to continue that  
16 subsidy. And I worry that something else  
17 will be eliminated as a result of that.

18 And then, just quickly, I was going to  
19 ask the question, but on the after-school  
20 program, very pleased to see the Governor's  
21 proposal with the additional \$35 million.  
22 Very encouraging. As you know, there's about  
23 a million youth that need after-school slots,  
24 not unlike the childcare slots. But it is

1           encouraging. My only question there would be  
2           how we would consolidate with the other  
3           existing ones so that we don't have the  
4           nonprofits and the school districts tripping  
5           over themselves with the different  
6           requirements, because that would bring us up  
7           to four, as I understand it, among two  
8           different agencies. So that's -- it's very  
9           difficult on the providers, community  
10          providers, as well as the school districts to  
11          monitor different regs, different application  
12          procedures, and different regulatory  
13          requirements.

14                 So I'm out of time, but I just would  
15          appreciate you being cognizant of that and  
16          open to trying to work together again so that  
17          we can serve more and not have additional  
18          funds caught up in administrative  
19          requirements.

20                 ACTING COMMISSIONER POOLE: Good  
21          points, thank you.

22                 ASSEMBLYWOMAN FAHY: Thank you so  
23          much, Commissioner.

24                 Thank you, Mr. Chairman.

1                   CHAIRMAN FARRELL: Thank you.

2                   Senator.

3                   CHAIRWOMAN YOUNG: Thank you.

4                   Senator Tim Kennedy.

5                   SENATOR KENNEDY: Thank you,

6                   Chairwoman.

7                   Good morning, Commissioner.

8                   ACTING COMMISSIONER POOLE: Good

9                   morning.

10                  SENATOR KENNEDY: Thank you for your

11                  service.

12                  I want to talk about Erie County.

13                  This year Erie County's allocation for the

14                  New York State Childcare Block Grant was

15                  \$24.6 million. Comparatively, Monroe County

16                  received \$36.3 million; Nassau County,

17                  \$52.6 million. There's a clear disparity in

18                  funding between counties.

19                  Currently in Erie County there's a

20                  waiting list of more than 320 families who

21                  are eligible to receive childcare assistance,

22                  but the county doesn't have the funds

23                  necessary to serve them.

24                  So I have concerns about the

1 methodology that your department is using to  
2 determine this funding. And right now a  
3 county that begins to receive a reduced  
4 funding amount will always receive less  
5 funding, unless it dedicates a substantial  
6 portion of its own budget to filling that  
7 gap.

8 So I want to know what we can do to  
9 distribute childcare dollars in a more  
10 equitable fashion and how we can update this  
11 distribution formula so that it reflects  
12 current demand rather than prior usage.

13 ACTING COMMISSIONER POOLE: So I would  
14 respond in two ways, Senator, that again, if  
15 a county has not been spending the totality  
16 of its allocation and we look at their  
17 claims, you know, if they're not spending it  
18 on a consistent basis, then presumably over  
19 time that means, right, that maybe someone  
20 else who's spending all of theirs and who has  
21 waiting lists should have it to use.

22 I suspect that that has been part of  
23 the issue with Erie County. And I'll  
24 certainly confirm that when I'm back at the

1 office, but I think that there had been a  
2 period of years, Senator, where Erie was not  
3 expending all of its childcare allocation.

4 And as you know -- do you remember  
5 rollover, right, from years ago? We had tens  
6 of millions of dollars of rollover. We  
7 really cracked down on that and said we can't  
8 have rollover, people need to be spending the  
9 childcare allocation that we're putting out  
10 to counties. So that's the first response I  
11 would have.

12 The second is that this year, in 2017,  
13 we are going to be opening up our childcare  
14 subsidy regulations. So we have not looked  
15 at our childcare subsidy regulations in a  
16 good number of years. And I know that there  
17 have been conversations about methodology,  
18 there have been conversations about market  
19 rate and how rates are set. And so we will  
20 have the opportunity this year, in opening  
21 that discussion, for obviously public  
22 discourse and stakeholder engagement.

23 And that perhaps, Senator, is an  
24 opportunity to have some of your concerns

1           spoken about and discussed more fully. But  
2           we will be doing that this year.

3                   SENATOR KENNEDY: Well, Commissioner,  
4           I appreciate that. But what I will tell you  
5           is the simple fact is there's 320 families on  
6           a waiting list. And that has to be  
7           rectified. And I think a constant  
8           communication, where we can resolve that  
9           issue, I think is imperative moving forward.

10                   So whatever the distribution formula  
11           is, I think we have to take into  
12           consideration the needs of the community,  
13           regardless of its geographic location in the  
14           state, whether it's Erie County or Monroe  
15           County or anywhere in between. But Erie  
16           County, I know there's a massive waiting list  
17           of needy families, and that just has to be  
18           rectified, whatever we have to do to resolve  
19           that.

20                   Regarding that same waiting list in  
21           Erie County, last year's budget included  
22           \$500,000 for a WDI facilitated enrollment in  
23           Erie County, which was badly needed but was  
24           just the tip of the iceberg. So due to this

1 high demand for the program, not every family  
2 between 200 and 275 percent of the poverty  
3 level in Erie County has received assistance.

4 So the proposed budget doesn't add any  
5 new appropriations to this program. So I'm  
6 just curious what we need to do and how this  
7 budget addresses the growing need for  
8 childcare costs for families in Erie County,  
9 specifically for those making up to  
10 275 percent of the poverty level.

11 ACTING COMMISSIONER POOLE: So,  
12 Senator, as you may know, all legislative  
13 adds are removed from the Executive Budget  
14 this year, and that is the case. So all of  
15 the facilitated enrollment projects that  
16 members of the Legislature have put your  
17 money toward do not exist in the Executive  
18 Budget.

19 To your question about, you know,  
20 subsidy, right, it's the question of the day:  
21 How, without additional federal funding  
22 coming to New York, can we expand capacity  
23 for more subsidy? And again, I don't have a  
24 great answer for that.



1           I would also just add that the Earned  
2           Income Tax Credit program, as well as the  
3           Governor's proposing the middle-class tax  
4           credit for childcare, you know, may be other  
5           strategies to help some of those families  
6           that -- you know, Senator, I don't have all  
7           those details in front of me, but I would be  
8           very happy to have a separate conversation  
9           with you about that.

10           SENATOR KENNEDY: Thank you.

11           In Erie County I know you've been very  
12           involved, your office has been very involved  
13           with some horrible, tragic deaths in some  
14           situations. The county has rectified many of  
15           the issues within Child Protective Services,  
16           with the help of your office. Unfortunately,  
17           my district still sees a very high rate of  
18           child abuse and a high number of CPS  
19           caseloads.

20           So Healthy Families New York works to  
21           prevent child abuse, allowing home visitation  
22           programs and providing resources and  
23           services. Shouldn't we invest more money  
24           into this program so we can lower the

1 back-end costs associated with these  
2 instances of abuse?

3 ACTING COMMISSIONER POOLE: Yes. I  
4 mean we're always, Senator, looking to, you  
5 know, expand prevention programs. You know,  
6 you mentioned Healthy Families. We had an  
7 opportunity to expand our Healthy Families  
8 program last year using the \$5 million of  
9 adoption assistance that we had. And then  
10 again this year, with the additional  
11 \$2 million, Senator, we again hope to expand  
12 the Healthy Families program.

13 So I think we have some good  
14 opportunities on the horizon.

15 SENATOR KENNEDY: Thank you. And just  
16 the last question regarding the CPS issues,  
17 the progress that has been made in large part  
18 due to the focus and efforts on reducing the  
19 caseloads in the county -- again, with the  
20 assistance of your office.

21 But what is OCFS doing to ensure, not  
22 just in Erie County but statewide, that  
23 caseworkers have the resources that they need  
24 to reduce these caseloads and properly

1           investigate these reports of abuse and  
2           neglect?

3                   ACTING COMMISSIONER POOLE:   So I would  
4           first of all echo, Senator, your comments  
5           about the progress that Erie County Child  
6           Protective Services has made.   You know, they  
7           were the poster child, right, upstate in  
8           previous years of high-profile cases and a  
9           myriad of issues.   And, you know, under the  
10          new leadership there, they -- and with a lot  
11          of help, frankly, from OCFS -- they have made  
12          just tremendous progress, and you should be  
13          very proud of that.

14                   So with respect to kind of caseload  
15          standards, as you all know, the Governor  
16          vetoed the caseload standard bill.   However,  
17          he issued a pretty strong veto message to us  
18          at OCFS.   And so this year, as part of that  
19          veto message, we will be reconvening bill  
20          sponsors, other stakeholders, to come back to  
21          the table and to talk about a way to better  
22          study caseload standards.

23                   The last report was done in 2006.  
24          Again, that was a different governor, and I

1           was not here. So I think we want to really  
2           be very careful and pay attention to -- you  
3           know, not every CPS case is the same, right?  
4           There are sex abuse cases, very complicated,  
5           there's ed neglect cases, there could be a  
6           childcare investigation where there's  
7           25 children who have to be investigated. You  
8           know, a case is not a case. They're all  
9           different, and I think we need to take that  
10          into consideration.

11                 The other thing I think that we're  
12          also particularly concerned about and we want  
13          to have conversations, you know, with the  
14          stakeholders in this discussion, is about the  
15          issue that we see in our oversight work, that  
16          setting caseload standards in and of  
17          themselves does not equal quality. In fact,  
18          it can sometimes create the opposite, where  
19          the workers are feeling tremendous pressure  
20          to maintain the 12 or the 15 caseload, and so  
21          they are closing cases without a thorough  
22          safety and risk assessment, without taking  
23          the time to document the work, and without  
24          taking the time to have the preventive

1 services. And we've seen that. We have seen  
2 that. It was an issue in Erie County,  
3 frankly, Senator, several years ago.

4 So as we think again about caseload  
5 standards, we want to be having a more  
6 inclusive conversation and a more statewide  
7 conversation about what that means. And  
8 again, we'll be doing that this year.

9 SENATOR KENNEDY: If I could just make  
10 one request to that point.

11 ACTING COMMISSIONER POOLE: Of course.

12 SENATOR KENNEDY: If we could have a  
13 representative from Erie County, given the  
14 experience that we've dealt with --

15 ACTING COMMISSIONER POOLE:  
16 Absolutely. Absolutely.

17 SENATOR KENNEDY: -- uniquely in our  
18 community, but through the work in your  
19 office as well, I think that would be very  
20 helpful.

21 ACTING COMMISSIONER POOLE: It's a  
22 great idea.

23 CHAIRMAN FARRELL: Thank you, Senator.  
24 Assemblywoman Jaffee, to close on this

1 side.

2 ASSEMBLYWOMAN JAFFEE: Thank you.

3 Thank you very much.

4 As you can note, the issue of  
5 childcare and providing sufficient childcare  
6 subsidies for our communities is a major  
7 issue, especially given, as I noted earlier,  
8 the poverty issues. And certainly another  
9 concern is that those families that are  
10 already currently receiving subsidized  
11 childcare from funding streams that were  
12 associated through facilitated enrollment, or  
13 even the SUNY/CUNY childcare subsidies --  
14 now, the Governor cut that totally from the  
15 budget.

16 So, you know, how do we at this point  
17 provide them assistance? Because these are  
18 very essential programs that expand the  
19 opportunities for childcare, especially those  
20 who are continuing their education so they  
21 can move forward in the workforce. So that's  
22 a very serious issue. As well as, noted  
23 earlier, we do not have enough funding for  
24 subsidies for the children in our state.

1           Eighty-three percent do not get subsidies,  
2           and these are very needy families.

3                       So I just wanted to ask that other  
4           question and continue to raise concerns  
5           regarding that. So what do we do about the  
6           SUNY/CUNY and facilitated enrollment, zero?

7                       ACTING COMMISSIONER POOLE: I think  
8           those, Assemblywoman, are all part of our  
9           bigger challenge and ongoing discussion. And  
10          I don't have the answer for you here today.  
11          Again, this is, right, this is the beginning  
12          of budget discussions. And we know how much  
13          both houses are interested in childcare. And  
14          we will continue to be in dialogue with both  
15          of you throughout the rest of the budget  
16          deliberations. But I appreciate your  
17          comments.

18                      ASSEMBLYWOMAN JAFFEE: Well, I  
19          appreciate that. And I hope that as we move  
20          forward, we'll be able to expand the funding  
21          for these essential programs.

22                      Thank you.

23                      CHAIRMAN FARRELL: Thank you.

24                      Senator.

1                   CHAIRWOMAN YOUNG:   Senator Diane  
2                   Savino.

3                   SENATOR SAVINO:   Thank you, Senator  
4                   Young.

5                   Thank you, Commissioner, for your  
6                   testimony. We had an opportunity the other  
7                   day to meet, so I'm not going to go over some  
8                   of the conversations we had or reiterate any  
9                   of the questions that have already been  
10                  raised.

11                  I do want to talk a bit about two  
12                  things that are important, certainly to me.  
13                  One of them is the independent monitor that  
14                  has been appointed to oversee ACS. And I  
15                  would just like to state that what I would  
16                  hope to come out of this independent monitor  
17                  is less of a -- less political  
18                  recommendations and more substantive changes  
19                  to the agency.

20                  And so what I would hope comes out of  
21                  this is some changes to what goes on in the  
22                  CPS field offices, because I don't really  
23                  think the public has a sense of the work that  
24                  CPS workers really do, and they confuse it



1           with the nonprofit sector that also provides  
2           direct service, more direct service to the  
3           children and the families than the CPS  
4           workers in fact may do.

5                     But there is definitely a need in  
6           these field offices for social workers.  
7           Again, there should be social work units,  
8           there should be screening units. You and I  
9           had a conversation the other day of the  
10          number of false cases that are called into  
11          the state central registry. Which  
12          unfortunately, every one of those cases has  
13          to be treated as if it is a serious abuse  
14          case or neglect case, which detracts from the  
15          work that the CPS workers have to do.

16                    So years ago when I did the work, we  
17          had screening units that dealt with the  
18          anonymous-anonymous cases, to take those away  
19          from the serious cases. So we need to kind  
20          of go back to some of that stuff.

21                    Obviously, training is always  
22          important, but supporting the staff is  
23          equally important. So I would hope that  
24          that's what comes out of the appointment of

1       this independent monitor, as well as  
2       potentially some legislative changes. We had  
3       a discussion the other day about some of the  
4       burdens that I believe the Legislature has  
5       placed on child welfare. Whenever there's a  
6       crisis, we think we can solve it with another  
7       requirement. And sometimes we actually make  
8       it worse, we make it harder to do this job.

9               And so I hope that you would be  
10       supportive of some of the proposals that I  
11       will be moving through the Children and  
12       Families Committee to eliminate some of the  
13       redundant work that I think does nothing to  
14       improve casework practice or to really  
15       investigate abuse and neglect.

16              So I look forward to that. And again,  
17       I hope the independent monitor is helpful as  
18       opposed to purely, you know, looking to  
19       penalize an agency that is already struggling  
20       on a day-to-day basis and handles tens of  
21       thousands of cases.

22              On runaway homeless youth, I was very  
23       happy to see that the Governor included what  
24       is essentially my bill and Assemblywoman

1       Weinstein's bill on the runaway homeless  
2       youth, improving it, expanding it to age 24.  
3       But if you could -- there's a couple of  
4       changes that the Governor made in our  
5       proposal that we're a little confused about,  
6       where it could be simply drafting, where it  
7       appears that they interchange "runaway" and  
8       "homeless" from time to time in a way that we  
9       don't quite understand.

10               And there's also a requirement -- so  
11       on that, you don't have to answer now.  
12       Perhaps someone could look at it and see,  
13       does it -- it might just simply be poorly  
14       drafted.

15               But there's something that maybe you  
16       can explain to me and some of the advocates;  
17       we don't quite understand why this is  
18       necessary. But under the Governor's  
19       proposal, it would require that the Runaway  
20       Homeless Youth Program contact the local  
21       department of social services if it believes  
22       that the youth is a destitute child. What is  
23       the purpose behind that? What is the value  
24       behind that?

1                   ACTING COMMISSIONER POOLE: I think  
2                   the value behind it is that a destitute child  
3                   is without, right, any legal guardian or  
4                   anyone who is providing any care to them.  
5                   And so, you know, the local department of  
6                   social services, if the person is under the  
7                   age of 18, right, has an obligation to try  
8                   and make certain that that young person is  
9                   not destitute and out there on their own but  
10                  can be, you know, connected with a resource.  
11                  I think that's the intention.

12                 SENATOR SAVINO: You seem a little  
13                  confused too. Maybe we just don't quite  
14                  understand what the --

15                 ACTING COMMISSIONER POOLE: Okay, we  
16                  can certainly talk --

17                 SENATOR SAVINO: Is there a monetary  
18                  connection to it? Is it a shifting of the  
19                  funding? Will someone else pay for the  
20                  services?

21                 ACTING COMMISSIONER POOLE: I don't  
22                  think it's that. But again, I don't want to  
23                  misspeak. And we can certainly have  
24                  conversation about the language in the

1 proposed bill.

2 SENATOR SAVINO: Yeah, it just -- it  
3 doesn't seem to make immediate sense. There  
4 could be some explanation for it, but it  
5 doesn't make immediate sense either to  
6 myself -- I can't speak for Assemblywoman  
7 Weinstein now, but I know she and I both  
8 remarked upon it. And in discussions with  
9 the advocates for runaway homeless youth,  
10 they brought it up as well.

11 ACTING COMMISSIONER POOLE: Okay.

12 SENATOR SAVINO: So I think as we move  
13 forward, we need to clarify the language in  
14 what the Governor has proposed in both the  
15 Article VII and in the budget portion.

16 So I want to thank you for your  
17 attention, and I look forward to working with  
18 you on some of these prospective changes.  
19 Thank you.

20 ACTING COMMISSIONER POOLE: Same here,  
21 Senator.

22 CHAIRWOMAN YOUNG: Senator Liz  
23 Krueger.

24 SENATOR KRUEGER: Good morning,

1 Commissioner.

2           You and I also had a chance to meet;  
3 there's just a couple of clarifications based  
4 on some of the answers you already gave  
5 today.

6           So the answer of the Title XX money  
7 being shifted into mandatory spending on  
8 childcare versus the various options that  
9 different locales have taken. And it would  
10 mandate that money that currently in New York  
11 City is used to fund senior centers would  
12 instead have to be used to fund childcare.  
13 And I asked you in the meeting, but I'm just  
14 going to, for the record, say it now and ask  
15 you again. Could your agency please analyze  
16 the changing demand for childcare slots in  
17 the different funding streams because of the  
18 impact of universal pre-K?

19           I can't speak for anywhere else, but  
20 in New York City, where this would be a very  
21 disturbing impact to take the money away from  
22 the seniors to put into childcare, we know  
23 for a fact, because we moved over 70,000  
24 4-year-olds into UPK -- and I think that

1        number is expected to go up in September  
2        again -- that there's less demand for daycare  
3        slots for 4-year-olds because they're in  
4        universal pre-K.

5                So it actually -- I'm not saying we  
6        don't need more money for childcare, but I  
7        don't believe the demand is there now,  
8        specifically because of the significant  
9        change in the movement of how people are  
10       getting their childcare.

11               And I know that I was advised that a  
12       number of the major childcare advocacy  
13       organizations in New York City have actually  
14       signed onto a letter saying please don't take  
15       the seniors' Title XX money away. So it's  
16       just a public plea, this needs to be reversed  
17       in the budget.

18               But I really do think it's important  
19       to get a handle on, because of all the  
20       different funding streams in childcare, are  
21       there changes that reflect the overall needs  
22       in different areas? Because localities use  
23       the funds in different ways and have  
24       different needs.

1           And following up on that, there's been  
2           a proposal for several years that I don't see  
3           it in the budget, and I'm curious what you  
4           think, there's a mandate for women on TANF to  
5           perhaps have to do work activities, requiring  
6           that the state pay for childcare for 1- and  
7           2-year-olds. My understanding is childcare  
8           for 1- and 2-year-olds is the most expensive  
9           kind of childcare. And there's been a  
10          proposal made that if you allow the  
11          flexibility of not requiring these women to  
12          participate in the work activities, that you  
13          could actually use that money to provide for  
14          multiple times the number of childcare slots  
15          in the subsidized program for poor families  
16          who are desperately seeking the childcare to  
17          hold the jobs they have with their slightly  
18          older children.

19                So has the agency explored that  
20          proposal at all?

21                ACTING COMMISSIONER POOLE: You know,  
22          Senator, I'm sorry to disappoint you, but  
23          that -- I'm going to have to confer with my  
24          OTDA colleague, Mike Perrin, around the TANF



1 piece. But I took good notes and will  
2 absolutely explore that.

3 SENATOR KRUEGER: Thank you.

4 And then, finally, on the discussion  
5 of reducing the reimbursements to New York  
6 City only for services for special needs in  
7 foster care, you stated the Governor's  
8 position that since New York City is getting  
9 300 more in education funding, they can pay  
10 for it out of that.

11 Am I correct that all school  
12 districts are getting some adjusted increase  
13 in education funding, it's not just unique to  
14 New York City?

15 ACTING COMMISSIONER POOLE: Mm-hmm.  
16 Mm-hmm.

17 SENATOR KRUEGER: Right? Everybody is  
18 getting something?

19 ACTING COMMISSIONER POOLE: (Nodding.)  
20 Mm-hmm.

21 SENATOR KRUEGER: And certainly the  
22 education advocates would tell us that what  
23 they're getting is way below what they each  
24 believe they need.

1                   So how is it that New York City  
2                   specifically is being told, take the money  
3                   out of your increasing but still inadequate  
4                   public education funding stream to pay for  
5                   this?

6                   ACTING COMMISSIONER POOLE: The best  
7                   answer I can give you now, Senator, is that  
8                   because the vast -- not the vast, but a  
9                   majority of the drop in the number of  
10                  children in foster care by proportion is  
11                  attributed to New York City, that that  
12                  accounted for the greater shift to New York.

13                 SENATOR KRUEGER: So that New York  
14                 City has fewer kids in foster care and in  
15                 these programs, but it's holding onto other  
16                 monies from the state that it would  
17                 otherwise -- I mean, are we keeping other  
18                 money in foster care when we reduce the  
19                 numbers in foster care?

20                 ACTING COMMISSIONER POOLE: No.

21                 SENATOR KRUEGER: We're not. I didn't  
22                 think so.

23                 And so it just seems to me, on the  
24                 budget logic that's being offered, New York

1 City should just try not to have anybody in  
2 foster care. And you and I might agree in a  
3 perfect world we would want that, but I don't  
4 think it's either of our position that the  
5 City of New York should stop placing children  
6 in foster care who truly need to be there.  
7 Right?

8 ACTING COMMISSIONER POOLE: That's  
9 true.

10 SENATOR KRUEGER: All right. So yet  
11 again, I do not find a justification for this  
12 budget cut to New York City. Thank you.

13 ACTING COMMISSIONER POOLE: Thank you,  
14 Senator.

15 CHAIRMAN FARRELL: Senator?

16 CHAIRWOMAN YOUNG: Thank you.

17 Senator Sue Serino.

18 SENATOR SERINO: Thank you, Senator.

19 And good morning, Commissioner. Thank  
20 you very much for taking our questions today.  
21 And as chair of the Aging Committee, my  
22 question is going to be about adult  
23 protective services. And just to give you a  
24 little background, I've done quite a few

1       series of elder abuse roundtables, and as we  
2       know, 85 percent of those cases go  
3       unreported. Because of doing those  
4       roundtables, we were able to have Lifespan  
5       put in the budget, which are  
6       multidisciplinary teams that have been very  
7       successful. And even though that doesn't  
8       fall under your purview, I'd be remiss if I  
9       didn't mention it, because we don't want to  
10      lose the funding for that.

11               And it's all kind of hand in hand,  
12      because as we know, there's a registry for  
13      child abuse victims but there isn't a central  
14      registry for elder abuse. So my question  
15      regarding that are numbers. Are there any  
16      specific statistics that are being documented  
17      with respect to the type of cases that are  
18      being reported, whether it's physical,  
19      financial, sexual or neglect?

20               ACTING COMMISSIONER POOLE: I don't  
21      have a full answer for you. But again,  
22      Senator, we could go back to the local  
23      departments of social services and to my  
24      office, that also oversees the adult

1 protective services. I don't know if you've  
2 met Alan Lawitz. He's really led our work on  
3 financial exploitation and oversees the  
4 protective service for adults.

5 So I will go back, Senator, and see  
6 what kind of data that we can provide to  
7 answer your question.

8 SENATOR SERINO: Okay. And I don't  
9 know if you'd have the answer to this  
10 question too, if there's any consistent  
11 documentation of the cases that APS OCFS  
12 receives, and what would be the process for  
13 follow-up to ensure that they're resolved.

14 ACTING COMMISSIONER POOLE: I'll add  
15 that to the list, Senator.

16 SENATOR SERINO: Okay. And in the  
17 case where it's sent to a police department  
18 rather than APS, will OCFS have any  
19 notification? Like if the police are  
20 handling the case, do they report to you,  
21 OCFS, as regards to the case? Would they  
22 give you any information?

23 ACTING COMMISSIONER POOLE: Well, they  
24 wouldn't report to OCFS. They would report

1 to the local department of social services,  
2 who administers the local protective service  
3 for adults program.

4 SENATOR SERINO: Okay. And how many  
5 staffers are responsible for tracking the  
6 complaints and following up on them with APS?

7 ACTING COMMISSIONER POOLE: I don't  
8 have that exact number, Senator.

9 SENATOR SERINO: Okay. Okay, thank  
10 you.

11 ACTING COMMISSIONER POOLE: You're  
12 very welcome.

13 CHAIRWOMAN YOUNG: Thank you. I have  
14 some follow-up questions that I'd like to  
15 ask, and I'd like to follow up on the  
16 independent monitor.

17 New York City Mayor de Blasio was here  
18 recently, and I asked him about the numerous  
19 tragic deaths that have occurred under that  
20 agency's watch. And I know that in your  
21 proposal there's an independent monitor. You  
22 recently, as OCFS, did a study and identified  
23 numerous lapses, multiple failures on ACS's  
24 part.

1                   So when you select the independent  
2                   monitor and he or she is in place, what  
3                   exactly would their roles and  
4                   responsibilities be, number one? And number  
5                   two. Who actually is going to select the  
6                   independent monitor?

7                   ACTING COMMISSIONER POOLE: So OCFS  
8                   has identified and made the selection of a  
9                   monitor that's been presented to New York  
10                  City, so that process has concluded.

11                  But more specifically to your  
12                  question, Senator, about the specific tasks  
13                  of the monitor, the monitor will be doing an  
14                  overall diagnostic, first and foremost, of  
15                  ACS's child protective program, looking at  
16                  the adequacy of its policies, looking at how  
17                  robust its own quality assurance process is,  
18                  looking at its supervisory oversight  
19                  structure. That was one of our findings in  
20                  the report, that there were lapses, serious  
21                  lapses in supervision.

22                  They will be looking at data, they  
23                  will be doing probes into case records. They  
24                  will be speaking with caseworkers and other

1 stakeholders -- again, to try and pinpoint  
2 with more precision where at the core are  
3 some of the institutional issues that led to  
4 these lapses in the handling of the cases.

5 And then Phase Two of the engagement  
6 will be the development and implementation of  
7 whatever the corrective action is -- whether  
8 it's policies, procedures, more staffing. I  
9 mean, we just -- we don't know yet. That's  
10 the whole point of the diagnostic.

11 And then the third and final phase  
12 will be compliance monitoring. So we want to  
13 make absolutely certain this time that  
14 whatever changes are made, that they are to  
15 scale across that very large and complex  
16 agency, and that they are sustainable to the  
17 extent possible. So there will be a period  
18 of compliance monitoring that will be  
19 open-ended, and that monitoring will only end  
20 when we at the state are satisfied that  
21 there's been compliance and that we won't see  
22 the kinds of issues that we unfortunately saw  
23 in these high-profile deaths.

24 CHAIRWOMAN YOUNG: I'm very relieved



1           and happy to hear that you'll be doing the  
2           diagnostics and coming up with policy  
3           changes.

4                     What happens if New York City doesn't  
5           comply or if things don't get better?

6                     ACTING COMMISSIONER POOLE: Well, we  
7           have a number of options at our disposal at  
8           the state.

9                     You know, certainly us directing them  
10          to on-board a monitor signals that we mean  
11          business, that we are very focused on helping  
12          them and requiring them to make those  
13          changes. And we don't have any reason to  
14          believe today, at least, that they too are  
15          not equally committed to fixing their system  
16          and to making children more safe. That's the  
17          goal all of us bring here every day.

18                    You know, in statute we do have the  
19          authority -- which we're very judicious in  
20          using, for obvious reasons -- but we could  
21          have or would have the authority to withhold  
22          funding to the city. Obviously, the other  
23          side of that is that they need their funding,  
24          right, to have staff and caseworkers and the

1 kinds of services.

2 But, you know, in the event that we  
3 don't see commitment to this monitor and  
4 commitment to change, that, you know, OCFS  
5 and the administration will take whatever  
6 steps are necessary in order to make sure the  
7 kids are safe.

8 CHAIRWOMAN YOUNG: Thank you. We  
9 don't need any more fatalities, so thank you  
10 very much.

11 CHAIRMAN FARRELL: Thank you.

12 ACTING COMMISSIONER POOLE: Thank you.

13 CHAIRMAN FARRELL: We've been joined  
14 by Assemblyman Colton.

15 CHAIRWOMAN YOUNG: Thank you,  
16 Commissioner, by the way. We appreciate your  
17 testimony.

18 CHAIRMAN FARRELL: Thank you very  
19 much.

20 Next, Mike Perrin, deputy  
21 commissioner, New York State Office of  
22 Temporary and Disability Services.

23 EXEC. DEP. COMMISSIONER PERRIN: Good  
24 morning, Chairwoman Young, Chairman Farrell,

1           and Chairman Tedisco -- I think I saw him  
2           here a moment ago. He's Senate chair of the  
3           Social Services Committee.

4                     My name is Michael Perrin. I'm the  
5           executive deputy commissioner for the Office  
6           of Temporary and Disability Assistance. And  
7           I'm first going to convey the regrets of  
8           Commissioner Sam Roberts, who could not be  
9           here today. He is sick today and so he -- he  
10          has asked me to fill in in his stead today,  
11          so I'll be providing testimony and addressing  
12          questions and answers from the committee.

13                    Our mission here at OTDA is to protect  
14          and lift up New York's most vulnerable  
15          residents and help them achieve  
16          self-sufficiency. Financial independence is  
17          a powerful feeling. It gives a person the  
18          confidence they need to be able to provide  
19          not only for themselves, but for their  
20          families. It sets their children on a path  
21          of success, helping the next generation to  
22          succeed. We want all New Yorkers to  
23          experience that feeling.

24                    OTDA administers vital programs for

1       those temporarily unable to work and for many  
2       working families who simply aren't able to  
3       make ends meet. These programs include  
4       providing food and heating assistance to  
5       people who need it and creating supportive  
6       housing units that will provide the  
7       beginnings of a permanent solution to the  
8       homelessness issues in the State of New York.

9               We inspect homeless shelters to ensure  
10       safety and security. We oversee the state's  
11       child support enforcement program. We also  
12       assist refugees and immigrants who are in  
13       New York in search of the American dream.

14              All of these efforts share a common  
15       goal: to help individuals and families meet  
16       essential needs and quickly get back on their  
17       feet again into self-sufficiency.

18              OTDA has realized remarkable success.  
19       Just this past year alone, OTDA opened the  
20       doors to over 540 new supportive housing  
21       units. SNAP benefits now enable over  
22       1.6 million households to purchase healthy  
23       foods at their local grocery store and at  
24       more farmers' markets than ever before.

1 Progress is everywhere. But we have more to  
2 do, and this budget proposal advances our  
3 mission.

4 The issue of affordable housing is  
5 critical for the persons we serve. Both the  
6 Governor and the Legislature have made access  
7 to housing a top priority, as evidenced by  
8 the state's unprecedented \$20 billion  
9 investment in affordable housing. Over the  
10 next five years, the goal of the program is  
11 to provide 100 new units of affordable  
12 housing and 6,000 units of supportive  
13 housing. The \$20 billion plan includes  
14 \$10.4 billion to combat homelessness in  
15 New York State.

16 Along with our partners in Homes and  
17 Community Renewal and the Office of Mental  
18 Health, we are pleased to announce today that  
19 1200 units of supportive housing have been  
20 funded, and those projects are underway in  
21 various stages of completion. This addresses  
22 the Governor's promise late last year to  
23 begin providing supportive housing, and he  
24 laid out a goal of 1200 units late last year.

1 And I'm again happy to announce that we're  
2 well on our way to achieving that goal.

3 We're well underway in administering  
4 the state's housing plan and overall to  
5 combat homelessness in a sustainable way.  
6 OTDA is committed to ensuring that persons  
7 temporarily relying on emergency shelter have  
8 access to a safe and clean living  
9 environment.

10 Just this past year, OTDA led an  
11 effort to inspect all 916 state-funded  
12 homeless shelters. The results were  
13 staggering, as well as the response. Nearly  
14 97 percent of the surveyed shelters were  
15 cited for violations that jeopardized the  
16 health, safety, and the quality of life of  
17 residents.

18 OTDA's response has been aggressive  
19 and will become one of ongoing vigilance.  
20 For every violation found, a corrective  
21 action plan has been put into place. We  
22 continue to work diligently with New York  
23 City and the counties of the state to keep  
24 the quality of life in shelters higher, and

1        have begun a multi-year initiative to get all  
2        shelters in the State of New York certified.

3                At Governor Cuomo's direction, OTDA  
4        implemented new regulations to enhance the  
5        state's ability to oversee the conditions of  
6        homeless shelters and more closely monitor  
7        shelter security measures.

8                This year the Executive Budget will  
9        also improve safety and security at shelters  
10       by requiring background checks of shelter  
11       workers who are in regular contact with  
12       children being served in those facilities.

13               This budget will help low-income  
14       working families attain basic necessities  
15       through a number of anti-poverty programs.  
16       For example, the Home Energy Assistance  
17       Program, known as HEAP, is one of the state's  
18       most important methods to help low-income  
19       individuals and low-income families,  
20       especially elderly New Yorkers. HEAP helps  
21       qualified individuals and qualified  
22       households to afford the cost of heating  
23       their homes and to reduce energy needs  
24       through energy efficiency programs.

1           This year the Executive Budget  
2           proposes an additional \$14.4 million in  
3           HEAP funding to support weatherization  
4           services for low-income households. The goal  
5           is to make homes more efficient and reduce  
6           energy costs, so lower-income households are  
7           better able to achieve financial stability.

8           Likewise, the Supplemental Nutrition  
9           Assistance Program, known as SNAP, increases  
10          the food purchasing power of eligible  
11          low-income households in order to improve  
12          their nutrition and alleviate hunger.

13          Despite the program's success, there  
14          are still thousands of families who do not  
15          access the full amount of assistance for  
16          which they may be eligible. To address this  
17          situation, the Governor is taking steps to  
18          increase SNAP outreach -- increase outreach  
19          to populations who may be eligible for SNAP  
20          but who are simply not taking advantage of  
21          it.

22          The initiative will engage foundations  
23          and the private sector as well as  
24          community-based organizations to develop and



1       implement innovative ways to connect  
2       households with SNAP benefits. Increased  
3       awareness and access to nutritious food will  
4       result in a healthier New York, and improve  
5       food sales for New York farmers.

6               The Governor recognizes also that the  
7       summer provides an opportunity, especially  
8       for low-income youth, with the time to have  
9       an enriching experience through the Summer  
10      Youth Employment Program. To address this  
11      problem, to improve and to ensure that the  
12      same number of youth are served this year as  
13      were served last year, you'll see an  
14      additional \$5 million appropriation for a  
15      total of \$36 million to fund this program.  
16      This is largely in recognition of the minimum  
17      wage increase for which many summer youth  
18      will be employed. So we'll continue to fund  
19      approximately 19,000 slots, which is the same  
20      level as last year.

21             The Governor has been steadfast in his  
22      support for immigrants and refugees and  
23      believes New York should remain a safe haven  
24      for all, no matter race, religion, country of

1       origin, or economic status. OTDA provides  
2       support to local resettlement agencies, and  
3       New York State will continue to welcome new  
4       arrivals with open arms.

5               The State of New York and OTDA are  
6       stronger than in decades. Unemployment is  
7       down, from 8.4 percent six years ago to  
8       4.9 percent today. New York State has  
9       7.9 million private-sector jobs, the most in  
10      the history of the state. Together we can  
11      all work towards the end goal of building a  
12      better, healthier New York for all.

13             Thank you for your time in letting me  
14      provide testimony to these committees, and I  
15      welcome any questions you may have.

16             CHAIRMAN FARRELL: Thank you very  
17      much.

18             Assemblywoman Jaffee.

19             ASSEMBLYWOMAN JAFFEE: Thank you,  
20      Deputy --

21             CHAIRMAN FARRELL: Chairman --  
22      chairwoman.

23             ASSEMBLYWOMAN JAFFEE: Thank you,  
24      Deputy Commissioner.

1           I wanted to ask regarding the TANF  
2           funding, the Temporary Assistance for Needy  
3           Families, initiatives to that. Apparently  
4           when reviewing the Executive Budget there was  
5           an elimination of the -- in the amount of  
6           \$19.4 million regarding TANF funding for a  
7           variety of community programs.

8           First of all, you know, what was the  
9           purpose behind eliminating those initiatives  
10          for the people who need it most in order to  
11          improve their quality of life? Was there  
12          expectations that the counties would provide  
13          these services for the TANF, in support of  
14          the TANF funds, and that they wouldn't be  
15          getting at this point -- and do you have an  
16          estimate of the number of individuals and  
17          residents and families that would be impacted  
18          by the elimination of these programs and  
19          initiatives because of the cuts?

20                 EXEC. DEP. COMMISSIONER PERRIN: Sure.  
21           Yeah. Thank you very much for the question,  
22           Assemblymember.

23                 Just to be clear, the TANF program is  
24           a block grant, and it will continue this

1           year, as it has since 1996, at over  
2           \$2.4 billion in federal funding. So I think  
3           your question -- and correct me if I'm  
4           wrong -- your question refers to a number of  
5           changes in the Governor's Executive Budget  
6           this year over last year.

7                   ASSEMBLYWOMAN JAFFEE: Could you just  
8           speak a little louder? Or put the microphone  
9           a little closer. It's hard to --

10                   EXEC. DEP. COMMISSIONER PERRIN: I  
11           thought it was pretty close.

12                   ASSEMBLYWOMAN JAFFEE: That's it.

13                   EXEC. DEP. COMMISSIONER PERRIN: So I  
14           think you're probably referring to a number  
15           of programs that were added in the budget  
16           process last year, if I'm not mistaken. I'll  
17           stand corrected if I'm wrong.

18                   But the Governor's budget is largely  
19           consistent from the Executive proposal for  
20           this year compared to last year. We're in  
21           the early stages of the budget process, so I  
22           would expect that some of the changes that  
23           were part of the budget process last year  
24           might become an issue again this year.

1           I would also just add that the fact  
2           that those specific programs do not appear in  
3           the Executive's budget do not necessarily  
4           reflect the position of the Governor that  
5           he's in opposition, given the fact that he in  
6           fact approved those programs in last year's  
7           budget. So I would just encourage the  
8           committees to work with the Division of the  
9           Budget and the Governor's Office to address  
10          the issue.

11           ASSEMBLYWOMAN JAFFEE: Hopefully we  
12          can move forward with a more positive  
13          response.

14           EXEC. DEP. COMMISSIONER PERRIN: I  
15          understand the comment. Thank you.

16           ASSEMBLYWOMAN JAFFEE: Also, in the  
17          discussion about homelessness, something that  
18          I've had discussions -- I've had  
19          conversations with community groups that  
20          respond to issues regarding, let's say,  
21          domestic violence. And what's one of the  
22          prime reasons for families entering the  
23          shelter system is the issue regarding  
24          domestic violence.

1           Is there any action or suggestion or  
2           policy to address the rise in domestic  
3           violence in our communities?

4           EXEC. DEP. COMMISSIONER PERRIN: Well,  
5           you're exactly correct, Assemblymember. I  
6           think the latest statistics that we've seen  
7           show that approximately 28 percent of shelter  
8           placements are the result of domestic  
9           violence.

10          For one thing, I think the social  
11          services community is much more sensitive and  
12          there's a greater awareness of domestic  
13          violence incidents, so I think they're in  
14          some ways -- they're just -- they're simply  
15          being identified, and those individuals who  
16          are subjects of domestic violence are being  
17          served at a rate that is probably higher than  
18          they were in the past.

19          As to the actual addressing the  
20          reduction in domestic violence, that's  
21          primarily a matter for law enforcement. OTDA  
22          has no specific programs related to that  
23          issue.

24          ASSEMBLYWOMAN JAFFEE: It is certainly

1 something that we need to continue to focus  
2 on because of the numbers and the increase.  
3 And so we obviously need to work on that.

4 EXEC. DEP. COMMISSIONER PERRIN: Yup.  
5 Agreed.

6 ASSEMBLYWOMAN JAFFEE: The  
7 anti-poverty initiative, what types of  
8 poverty-reducing actions are being proposed  
9 by various municipalities and not-for-profit  
10 partners? Have there been a number of  
11 contracts that have been approved regarding  
12 this issue?

13 EXEC. DEP. COMMISSIONER PERRIN:  
14 Assemblymember, I think you refer to the  
15 Empire State Poverty Reduction Initiative.  
16 And as you might recall, it was proposed and  
17 designed as a two-phase program. So each of  
18 the mayors of each of the jurisdictions of  
19 the 16 cities have at this point identified  
20 their chosen not-for-profit organizers who  
21 will coordinate.

22 So we are in -- OTDA is in the midst  
23 of approving contracts with those  
24 not-for-profit providers who will be taking

1       the next step, and in some cases already  
2       have -- even before the contracts have gotten  
3       executed, they've already taken the steps to  
4       form local task forces and come up with plans  
5       that will get to your question. So at this  
6       point we can't report on what the results of  
7       those task force planning activities are, but  
8       I also point out that a very key part of that  
9       program is for the state, meaning OTDA, to  
10      not be prescriptive in what those plans look  
11      like.

12                So I think what we find as guidance --  
13      as you might be aware from the Rochester  
14      initiative, the key component about that  
15      program that we recognize in the ESPRI  
16      program is really the governance model that  
17      emphasizes cooperation, inclusiveness,  
18      broad-based membership in the task forces,  
19      but also to address the very specific  
20      problems that those task forces identify  
21      within their community.

22                So we would expect to be seeing plans  
23      from each of the task forces coming in over  
24      the course of the springtime and early



1 summer, for review and approval by the  
2 agency.

3 ASSEMBLYWOMAN JAFFEE: Just going back  
4 to the homeless issue that you noted.  
5 Throughout the state we have increasing  
6 numbers of homeless residents, homeless  
7 families, in our communities.

8 As a matter of fact, I had received a  
9 call from a local gentleman, he had four  
10 children, he had a job -- \$40,000 a year he  
11 was earning -- and he couldn't maintain the  
12 rent he was paying, and he was homeless with  
13 four children.

14 And it's a struggle, and we don't have  
15 the assistance in our local areas outside of  
16 New York City that is necessary to provide  
17 the kind of support when you are faced with  
18 that kind of situation, and it's growing.  
19 And it's becoming a very serious issue.

20 EXEC. DEP. COMMISSIONER PERRIN: Yeah.  
21 I think you put your finger on it, right on  
22 the point of what is probably the underlying  
23 base issue of homelessness in the State of  
24 New York, and that's the lack of affordable

1       housing and the lack of units of affordable  
2       housing in the State of New York.

3               You pointed out domestic violence.  
4       There's also issues that create  
5       homelessness surrounding substance abuse and  
6       mental health issues. But the underlying  
7       concern, the underlying cause of it is the  
8       lack of affordable housing. Which is exactly  
9       why the Governor proposed a \$20 billion  
10      program that, as I mentioned in my remarks,  
11      over five years that will create 100,000  
12      units of affordable housing and 6,000 units  
13      of supportive housing.

14             So -- and it's the supportive housing  
15      component that will address those specific  
16      issues such as domestic violence, such as  
17      substance abuse, such as mental health  
18      issues, so an individual or a family can live  
19      in a stable housing situation for a long  
20      period of time with the services that they  
21      would be receiving through that program.

22             ASSEMBLYWOMAN JAFFEE: And it is very  
23      necessary. That funding that you're  
24      suggesting that's outside of New York City,

1           that is for --

2                   EXEC. DEP. COMMISSIONER PERRIN:  Yeah,  
3           so just very specifically, OTDA has a program  
4           called HHAP, it's the Homeless Housing  
5           Assistance Program, that in recent years has  
6           been funded at about \$63.5 million.  While  
7           it's not specific to upstate, the majority of  
8           those housing units and those projects tend  
9           to be developed outside of the City of  
10          New York, working in very close partnership  
11          with our partner agencies, particularly Homes  
12          and Community Renewal.

13                   I think Mr. Rubin will be testifying  
14          tomorrow, so he could address the  
15          affordable-housing side of it better than I  
16          can.  But the supportive side of the housing  
17          programs and projects is very much within  
18          OTDA's lane.  I'm happy to report that  
19          another \$63.5 million toward HHAP projects  
20          and capital funding is included in the  
21          Governor's budget.

22                   ASSEMBLYWOMAN JAFFEE:  Well, I'll be  
23          looking into that.  Thank you very much.

24                   EXEC. DEP. COMMISSIONER PERRIN:  Thank

1           you.

2                   CHAIRMAN FARRELL:   Thank you.

3                   We've been joined by Assemblyman Félix  
4           Ortiz.

5                   Senator?

6                   CHAIRWOMAN YOUNG:   Thank you.

7                   And we've been joined by Senator Leroy  
8           Comrie.

9                   Thank you for being here today.   I  
10          just wanted to ask a couple of questions.  
11          Although the Governor's budget assumes a  
12          continued decline in overall public  
13          assistance for this coming fiscal year, 2018,  
14          the Executive proposes a \$59 million increase  
15          in appropriation authority for the Safety Net  
16          Assistance Program, which is an increase of  
17          12 percent.

18                  As you know, the Safety Net Program is  
19          partially funded by the state, but 71 percent  
20          of the burden is put on local governments.  
21          And as you also know, this could be a  
22          lifetime situation for people, and they're  
23          expected to work if they can, but the  
24          assistance can go on for an awfully long

1           time. So I wanted to ask what factors  
2           increased this amount, and why is it in the  
3           budget this way?

4                   EXEC. DEP. COMMISSIONER PERRIN: Those  
5           budget amounts that -- those proposed  
6           appropriations that you see in that program  
7           are the result of an econometric study that  
8           is conducted by the Division of the Budget.  
9           So I can't answer your question directly in  
10          detail. So it's, again, appropriation  
11          authority going forward.

12                   But I'm just reminding the committee  
13          that the TANF program is 100 percent fully  
14          funded by the state for the first five years  
15          that folks are on it.

16                   CHAIRWOMAN YOUNG: So do you see this  
17          as an ongoing trend, based on your study? Or  
18          is this an isolated incident?

19                   EXEC. DEP. COMMISSIONER PERRIN: I  
20          can't tell you, I can't say that it's an  
21          ongoing trend necessarily. But it's a  
22          budgeting decision, again, to allow the state  
23          the authority, the agency authority to take  
24          into account the TANF program, the Safety Net

1       Program, going forward over the course of  
2       this fiscal year.

3               CHAIRWOMAN YOUNG:  You hear from local  
4       governments all the time about the heavy  
5       burden that's placed on them through unfunded  
6       mandates and so on.  So if this is an ongoing  
7       trend that your study may suggest, what steps  
8       is the agency going to take to address it?  
9       Because obviously it's better for people to  
10      be -- if they're able to work, to be able to  
11      go out and get a job, and be able to improve  
12      their quality of life.

13              EXEC. DEP. COMMISSIONER PERRIN:  Sure.  
14      So a number of programs that the Governor has  
15      proposed this year address particularly  
16      working families and the middle class.  So  
17      we've seen the increase in the minimum wage,  
18      that was adopted last year; we're seeing an  
19      increase in the amount of SNAP benefits that  
20      will be available to SNAP-eligible households  
21      through an administrative change that we'll  
22      be making; and the HEAP program.  And we're  
23      seeing the childcare tax credit and also the  
24      additional funding in high-poverty areas to

1           increase pre-K and after-school care.

2                       So each of those programs begin to  
3           address and begin to support the temporary  
4           assistance -- the TANF program and the Safety  
5           Net Program -- by providing extra resources  
6           to get people to become more self-sufficient,  
7           and then ultimately be able to step off of  
8           public assistance.

9                       CHAIRWOMAN YOUNG:   Is this econometric  
10          study that you did, was this just something  
11          recent?  Or do you plan on doing the same  
12          study every year?

13                      EXEC. DEP. COMMISSIONER PERRIN:  It's  
14          my understanding that the Division of the  
15          Budget does this annually.  So I can't  
16          address the question specifically.

17                      CHAIRWOMAN YOUNG:  So I mean -- but  
18          you're talking about increased resources, but  
19          yet you think the amount's going to go up.  
20          So it will be interesting to come back next  
21          year and see whether some of the solutions  
22          that you just outlined actually work or not.

23                      EXEC. DEP. COMMISSIONER PERRIN:  And  
24          that's really the importance that the

1 Governor has recognized here. We've seen him  
2 talk repeatedly over the course of the last  
3 few months about supporting working families,  
4 and while that is -- the real point of that  
5 from a financial point of view is to get  
6 people self-sufficient and not have a need  
7 for safety net and public assistance.

8 CHAIRWOMAN YOUNG: Okay. Thank you.

9 CHAIRMAN FARRELL: Thank you.

10 Assemblywoman Didi Barrett.

11 ASSEMBLYWOMAN BARRETT: Thank you.

12 Thanks for being here.

13 I just had a question. I listened  
14 with interest about your comments about SNAP  
15 and the safety net around food, and I am --  
16 as are many of my constituents in my rural  
17 district -- smarting under the Governor's  
18 veto of last year at the end of the year of  
19 the Farm To Food Bank tax credit.

20 And I'm just wondering if you all have  
21 taken a position on that or are engaged in  
22 trying to find a way for our farmers --  
23 because we also have serious poverty in our  
24 rural areas, and these are farmers who are



1 willing to donate travel to get the food to  
2 the food banks, make sure that this is fresh  
3 off the farm, is made available -- and this  
4 tax credit would go a long way to covering  
5 some of those costs for them.

6 EXEC. DEP. COMMISSIONER PERRIN: A  
7 couple of ways I think that OTDA and the  
8 Executive is addressing that concern is,  
9 again, to work -- we're looking to expand the  
10 amount of eligibility. The amount of SNAP  
11 dollars that households can receive is a  
12 little bit technical, so we're making an  
13 administrative tweak to the HEAP program  
14 which would allow additional dollars for  
15 eligible families to go toward a heating  
16 allowance which is part of a SNAP eligibility  
17 application.

18 So -- it's a little bit -- again, a  
19 little bit technical, so we're going to  
20 expand the HEAP heating season to be  
21 yearlong, so individuals who apply for SNAP  
22 at the time of year when they would not  
23 otherwise have been in the SNAP heating  
24 season will be eligible for approximately

1           \$228 million additional statewide.

2           So that's how we're going to really  
3           maximize some of the SNAP benefit dollars, no  
4           additional cost to the state. That will be,  
5           again, an administrative change that has  
6           already gotten a favorable response from the  
7           United States Department of Agriculture.

8           Secondly, and more directly to your  
9           question, OTDA has made a concerted effort in  
10          partnership with the Department of Ag and  
11          Markets to connect with and expand the  
12          availability and the use of SNAP benefits at  
13          farmers' markets very, very specifically.

14          ASSEMBLYWOMAN BARRETT: So I guess I'm  
15          a little confused, when you're talking about  
16          the SNAP and HEAP -- but how does that really  
17          play out for farmers and getting this fresh  
18          food to the food banks?

19          EXEC. DEP. COMMISSIONER PERRIN: Sure.  
20          Between the two items that I just mentioned  
21          there will be, first, additional money  
22          available for SNAP recipients as a whole.  
23          Second, our concern --

24          ASSEMBLYWOMAN BARRETT: So the

1 recipients would be able to access that --

2 EXEC. DEP. COMMISSIONER PERRIN:

3 Certainly. Yes.

4 So the effort on our part -- and  
5 again, Ag and Markets is really carrying the  
6 load on this in terms of making sure that  
7 farmers' markets are identified, making sure  
8 they have the technology that will allow them  
9 to use the SNAP benefit cards. We see it as  
10 addressing your question directly.

11 ASSEMBLYWOMAN BARRETT: So your  
12 control is really only where there's systems  
13 like that in place. You're making other --  
14 making money accessible that doesn't funnel  
15 through a SNAP or some other kind of program,  
16 is not something that you can influence?

17 EXEC. DEP. COMMISSIONER PERRIN: I'm  
18 not quite sure I understand the question, but  
19 again, we're working in close partnership  
20 with Ag and Markets --

21 ASSEMBLYWOMAN BARRETT: Okay.

22 EXEC. DEP. COMMISSIONER PERRIN:

23 Because to --

24 ASSEMBLYWOMAN BARRETT: So that's for

1 the farmers' markets. But for the other side  
2 of it, for the farmers who want to donate  
3 where there's a gap --

4 EXEC. DEP. COMMISSIONER PERRIN: Yeah.  
5 That's not something that we're closely  
6 involved with, that would probably be a  
7 question for Ag and Markets. But again, we  
8 see the nutrition component of needy families  
9 as being kind of a continuum of care, if you  
10 will.

11 So we've worked to establish the  
12 FreshConnect program in conjunction with the  
13 Department of Health, which in part and in  
14 some ways puts fresh vegetables from local  
15 markets in urban settings by providing simply  
16 a refrigeration unit so a small bodega, if  
17 you will, can make available fresh foods in  
18 their areas. Together, again, with expanding  
19 SNAP eligibility through outreach, expanding  
20 and maximizing the benefit that we can draw  
21 down from the federal government, together  
22 with making better connections with farmers'  
23 markets.

24 We think, all together, it goes

1           toward -- and thank you for that question,  
2           because it was right on target. That went  
3           off the top of my head --

4                   ASSEMBLYWOMAN BARRETT: Okay. I see  
5           I'm just about out of time, but I guess I'm  
6           still trying to make the link for the safety  
7           net that's part of -- that's food banks. And  
8           that are -- you know, rather than farmers'  
9           markets. So, you know, I would love to  
10          continue having that conversation.

11                   EXEC. DEP. COMMISSIONER PERRIN:  
12          Certainly will. And we'll contact our  
13          colleagues at Ag and Markets to see if we can  
14          get you some more detail on that.

15                   ASSEMBLYWOMAN BARRETT: Okay.

16                   EXEC. DEP. COMMISSIONER PERRIN: So  
17          thank you for the question.

18                   ASSEMBLYWOMAN BARRETT: Great. Thank  
19          you.

20                   CHAIRMAN FARRELL: Thank you.  
21          Senator.

22                   CHAIRWOMAN YOUNG: Senator Kennedy.

23                   SENATOR KENNEDY: Thank you very much.  
24          Deputy Commissioner, you've already

1 touched on the upstate anti-poverty  
2 initiative. Last year's budget included  
3 \$25 million for this initiative. You've  
4 discussed how the contracts are being  
5 approved as we speak. Can you talk about the  
6 funds that the state is looking to commit  
7 moving forward to ensure the continuation of  
8 these initiatives once they are implemented?

9 EXEC. DEP. COMMISSIONER PERRIN: Sure.  
10 So you may have noticed that there is no  
11 additional \$25 million in new appropriations  
12 in this year's budget. But last year's  
13 \$25 million is proposed to be reappropriated.  
14 So it's simply a timing issue.

15 We think that over the course of this  
16 year the lion's share of that \$25 million  
17 will be committed to each of the anti-poverty  
18 designated cities. And hopefully, you know,  
19 our view is that if that is successful across  
20 the state -- that, in my view, is that if it  
21 is successful, the Governor will recommend an  
22 additional \$25 million in the following  
23 fiscal year.

24 SENATOR KENNEDY: And are we talking

1           about an additional \$25 million planned for  
2           next year's budget? Is that the --

3                   EXEC. DEP. COMMISSIONER PERRIN: Yeah,  
4           and I shouldn't pick a specific number,  
5           Senator. So we'll see kind of where the  
6           program lands over the course of this year.  
7           And I think that will provide some guidance  
8           to the Governor and to the Legislature as to  
9           what that dollar value should be.

10                   SENATOR KENNEDY: And the timing for  
11           the approval of these contracts with the  
12           various municipalities and the organizations  
13           that are going to be running these  
14           anti-poverty initiatives? What's your  
15           timing?

16                   EXEC. DEP. COMMISSIONER PERRIN: Well,  
17           we're contracting agencies, so we're moving  
18           the contracts through our agency together  
19           with approvals from the Attorney General's  
20           office and the office of the Comptroller. We  
21           don't see any holdup in our end at this point  
22           in time.

23                   SENATOR KENNEDY: Okay. Very good.  
24           Thank you.

1                   CHAIRWOMAN YOUNG: Thank you.

2                   SENATOR KENNEDY: Yeah, I'm sorry --

3                   CHAIRWOMAN YOUNG: Keep going.

4                   SENATOR KENNEDY: Last fall, the  
5                   Help Buffalo II Apartments opened with  
6                   47 low-income apartments, 15 units of which  
7                   were for former homeless veterans. And I  
8                   know that you've spoken to the issue of  
9                   homelessness and the work that OTDA is doing  
10                  to do away with homelessness statewide. This  
11                  was a joint project with your agency. Your  
12                  efforts are certainly applauded to reduce  
13                  homelessness overall for veterans  
14                  specifically.

15                  But what resources does the proposed  
16                  budget set aside specifically for homeless  
17                  veterans?

18                  EXEC. DEP. COMMISSIONER PERRIN: So  
19                  first of all, I was happy to attend that  
20                  groundbreaking in Buffalo, and I think you  
21                  and I had a chance to meet at that event, so  
22                  it was one of the better projects that I've  
23                  been a part of.

24                  But to get to your budget question



1       directly, you know, again, the \$63.5 million  
2       that will be appropriated again for OTDA's  
3       HHAP program is available for veterans'  
4       housing. And I can't -- I'll have to go back  
5       and check with counsel to see if there's a  
6       specific set-aside. But again, OTDA was  
7       happy to have a part of funding that project.

8               SENATOR KENNEDY: What else do you  
9       believe that we can do collectively to  
10      address this issue of veterans' homelessness,  
11      specifically veterans' homelessness among  
12      females?

13             EXEC. DEP. COMMISSIONER PERRIN: You  
14      know, I think that might be a better question  
15      for our colleagues at OASAS and OMH, as that  
16      really lands on the human services/social  
17      services and not the capital projects side.  
18      So I'll have to defer to our partner agencies  
19      for a direct answer to the programmatic  
20      question, Senator.

21             SENATOR KENNEDY: And just one more  
22      question I'd like to bring up. The budget  
23      proposed includes \$35 million to create  
24      22,000 new after-school slots. This funding

1 is aimed at cities included in this  
2 anti-poverty initiative. We discussed this a  
3 little earlier with the previous speaker, so  
4 I won't go into all the details, but I'm  
5 curious if OTDA will be involved in filling  
6 these after-school slots.

7 EXEC. DEP. COMMISSIONER PERRIN: OTDA  
8 will not have a direct role in implementing  
9 this program, even though they are targeted  
10 at the Empire State Poverty Reduction cities.  
11 And we think that that's a good investment  
12 and will go a long way toward alleviating  
13 poverty, but I'll leave it to my colleague  
14 Sheila Poole to address the programmatic  
15 questions behind that.

16 SENATOR KENNEDY: And I suppose that  
17 just leads me to another question. Should  
18 your agency be involved or more involved in  
19 filling these slots, since you're so involved  
20 with the anti-poverty initiative?

21 EXEC. DEP. COMMISSIONER PERRIN:  
22 Again, programmatically, that's a little bit  
23 out of our area, except as it may pertain to  
24 homeless shelter operations. And we do work

1           closely with OCFS on the financial and  
2           management side of it, because some of the  
3           money does flow through from OTDA to OCFS.

4                     SENATOR KENNEDY:   Okay.   Thank you.

5                     EXEC. DEP. COMMISSIONER PERRIN:   Thank  
6           you.

7                     ASSEMBLYMAN OAKS:   Deputy  
8           Commissioner, a few questions.

9                     The Summer Youth Program, just could  
10          you give a sense of the approximate numbers  
11          served through that --

12                    EXEC. DEP. COMMISSIONER PERRIN:   Sure.

13                    ASSEMBLYMAN OAKS:   -- and whether that  
14          number is increasing, decreasing?

15                    EXEC. DEP. COMMISSIONER PERRIN:   Sure.

16                    So thank you for the question.   I addressed  
17          it briefly in my opening remarks.

18                    The number of youth that were served  
19          last year, I think, was 18,750 -- that comes  
20          to mind.   So the trick here for making sure  
21          that each and every one of those slots will  
22          be available and funded is to take into  
23          account the minimum wage increase that the  
24          Governor and the Legislature adopted last

1           year.

2                       So to ensure that that -- to ensure  
3           those same number of slots are available this  
4           year as were filled last year, you'll see an  
5           additional \$5 million appropriation for that  
6           purpose.

7                       ASSEMBLYMAN OAKS:  As someone who  
8           represents mostly rural areas, the sense of  
9           that being -- you know, I know that's been a  
10          successful program.  But the sense of that  
11          being urban-driven, as opposed to some of  
12          our, you know, also low-income unemployed  
13          youth, that's certainly something that I  
14          think for future policy the state should look  
15          at.

16                      EXEC. DEP. COMMISSIONER PERRIN:  I  
17          appreciate the comment.  We'll take a look at  
18          that.  Thanks.

19                      ASSEMBLYMAN OAKS:  Thank you.

20                      There is a proposal in the budget to  
21          do a Lottery intercept.  Do we have any  
22          estimate on what that should provide in  
23          dollars?

24                      EXEC. DEP. COMMISSIONER PERRIN:  I

1 don't have that dollar value in front of me.

2 We'll get that number to you right away.

3 ASSEMBLYMAN OAKS: Okay.

4 EXEC. DEP. COMMISSIONER PERRIN: But  
5 the purpose of the proposal is to bring  
6 Lottery intercepts in line with other forms  
7 of intercepts that are made to recoup public  
8 assistance dollars. So child support  
9 payments, for example, and tax returns that  
10 would be coming in from the federal  
11 government.

12 ASSEMBLYMAN OAKS: Thank you.

13 We have a number of programs in the  
14 state that we continue to focus on trying to  
15 serve people who are in poverty and whatever.  
16 Is there anything in this budget or  
17 initiatives that we're looking -- trying to  
18 get people -- to help people leave poverty?  
19 You know, it's kind of that challenge, I  
20 think, that we have certainly -- people need  
21 the services who are there, but getting them  
22 beyond is the next step.

23 EXEC. DEP. COMMISSIONER PERRIN: Well,  
24 overall, that is largely the purpose behind

1       the Public Assistance program that is funded  
2       largely by the federal government and, as was  
3       pointed out, when we get to the safety net  
4       assistance with the local share. So that's  
5       why as part of those programs there's an  
6       employment training component.

7               In addition, I mentioned a couple of  
8       other programs that the Governor had  
9       initiated that gets to exactly that goal,  
10      such as raising the minimum wage, increasing  
11      the number of childcare slots, increasing the  
12      number of pre-K and after-school slots that  
13      are available. Not to mention the SNAP  
14      increase that I mentioned a minute ago, on  
15      top of expanding, you know, the HEAP program  
16      across the State of New York.

17             So we think as a group, together with  
18      the minimum TANF requirements, we think as a  
19      group that provides a program to get to  
20      exactly what you've mentioned.

21             ASSEMBLYMAN OAKS: Senator Kennedy  
22      mentioned the poverty initiative, and I know  
23      the Rochester area and in that general region  
24      is focused some on that.

1           I was at a forum recently, Catholic  
2           Charities, where we were talking about some  
3           of their initiatives and working  
4           cooperatively on that. One of the handouts  
5           at that event was giving a perspective of  
6           what a single mom, two young children, not  
7           working -- what benefits might lead to, and  
8           all the different things to support her and  
9           her family. If she was at minimum wage, and  
10          then the chart went out -- if she was at  
11          minimum wage, and adding all those benefits  
12          up.

13                 EXEC. DEP. COMMISSIONER PERRIN: Yup.

14                 ASSEMBLYMAN OAKS: And then it goes  
15           out, as you make \$12, \$15, \$18, \$20-plus an  
16           hour. And the issue in there sort of brings  
17           up the whole benefits cliff issue in the  
18           sense that as you make more money, then you  
19           get reduced services.

20                 Are we looking at ways to try to  
21           address the whole benefits cliff issue in  
22           trying to help make it for working  
23           individuals who are also trying to support  
24           families?

1 EXEC. DEP. COMMISSIONER PERRIN: So at  
2 the risk of repeating myself, these are the  
3 programs that I just outlined that are part  
4 of the Governor's initiative that are aimed  
5 at doing exactly that, the smoothing out of  
6 that cliff and providing supports for folks  
7 who are coming off public assistance, for  
8 example.

9 So SNAP dollars are available for  
10 folks who are not necessarily -- the  
11 eligibility rates are different than for  
12 public assistance. Eligibility is different  
13 for homeless -- for the heating assistance  
14 programs, and eligibility is different in  
15 some respects for the pre-K and after-school  
16 programs.

17 So we are thinking, with these  
18 programs, beyond what the basic eligibility  
19 levels are for public assistance for that  
20 exact purpose, so folks can continue to  
21 receive some level of supports in different  
22 areas should they -- and hopefully they do --  
23 become more self-sustaining and are no longer  
24 on public assistance.



1 ASSEMBLYMAN OAKS: Thank you.

2 EXEC. DEP. COMMISSIONER PERRIN: Thank  
3 you.

4 CHAIRWOMAN YOUNG: Thank you.  
5 Senator Krueger.

6 SENATOR KRUEGER: Good morning.

7 EXEC. DEP. COMMISSIONER PERRIN: Good  
8 morning, Senator.

9 SENATOR KRUEGER: So many different  
10 directions. Let's start with -- Senator  
11 Young asked about the Safety Net Program  
12 growth. And I'm just curious, is that a  
13 statewide growth pattern, or are you seeing  
14 that in specific areas?

15 EXEC. DEP. COMMISSIONER PERRIN:  
16 That's a statewide appropriation. I don't  
17 have a geographic breakdown.

18 SENATOR KRUEGER: No, the population  
19 growth on safety net. Was there an actual  
20 population increase on the Safety Net Program  
21 between last year and this year?

22 EXEC. DEP. COMMISSIONER PERRIN: We  
23 haven't seen a fundamental geographic  
24 breakdown of that, Senator. I could take a

1 look and see if we have data that would  
2 address that question.

3 SENATOR KRUEGER: Okay. Because one  
4 of the things I know about the Safety Net  
5 Program is there's disproportionately been a  
6 growth in the number of people on it, singles  
7 cases and family cases, where an adult or  
8 adults are suffering from some kind of  
9 disability and they're not really able to go  
10 to work. Is that your understanding?

11 EXEC. DEP. COMMISSIONER PERRIN: Well,  
12 I think -- I think, just broadly -- I think  
13 that's probably a fair statement, since the  
14 TANF program is a five-year limited and  
15 safety net picks up after that five-year  
16 eligibility period.

17 So I think it would be fair to say  
18 that, you know, a component of the safety net  
19 population -- but again, we'll see if we have  
20 some data specifically on who among the  
21 safety net recipients are in the category of  
22 disabled. I have to take a look at that.

23 SENATOR KRUEGER: And then if you  
24 could also look into and perhaps get back to

1           all of us on the amount of money we're  
2           putting into disability advocacy to help  
3           people move on to SSI/SSD, which is actually  
4           the more appropriate benefit for them if they  
5           are suffering a long-term disability.

6                     EXEC. DEP. COMMISSIONER PERRIN:

7           Mm-hmm.

8                     SENATOR KRUEGER:  And also, of course,  
9           it's federally funded, so it's a win for the  
10          counties in not having local share.  And at  
11          least my experience in New York City is the  
12          programs have been underfunded, but they're  
13          incredibly effective at helping people move  
14          onto the correct benefits.

15                    So I just -- listening to my  
16          colleagues from the rest of the state, I hope  
17          your agency will take a look at whether we  
18          can do more to help with disability advocacy  
19          to move people onto the appropriate benefits.

20                    EXEC. DEP. COMMISSIONER PERRIN:  I  
21          would say we would broadly agree, Senator.  
22          So thank you, and we will take a look at  
23          that.

24                    SENATOR KRUEGER:  Thank you.

1           You also talked about SNAP and the  
2           importance of expanding participation among  
3           people who are eligible. I'm a big supporter  
4           of SNAP, and I used to do that work before I  
5           became a Senator, including under contract  
6           with the city and state to assist people to  
7           get benefits.

8           The research consistently has shown  
9           that an enormous population who are eligible  
10          but don't participate are people who actually  
11          do come in for healthcare benefits. So  
12          they're Medicaid-eligible, they may be  
13          Essential Benefits category now through ACA.  
14          Have we done anything to try to provide SNAP  
15          applications through the sites that are  
16          assisting, in the last couple of years,  
17          millions of additional New Yorkers to  
18          participate in Medicaid or Essential Benefits  
19          through the exchange?

20          EXEC. DEP. COMMISSIONER PERRIN: Sure.  
21          So it's my understanding that in the most --  
22          in the cities and in the counties that, you  
23          know -- SNAP is very much part of an  
24          application process should someone come in

1           and apply for Medicaid. So the outreach with  
2           the social services professionals around the  
3           State of New York I think is there.

4                     Where I think we do see some shortages  
5           and some shortfalls -- and in my own  
6           experience, and you might know I spent  
7           15 years in county government -- is among the  
8           elderly population and also, in some cases,  
9           among the rural populations in the State of  
10          New York. That's one reason why you've seen  
11          the Governor's proposal to make sure that  
12          we're partnering with foundations, the  
13          private sector, to leverage SNAP outreach  
14          dollars in particular for senior citizens,  
15          and I think we'll be looking especially at  
16          the City of New York over the course of this  
17          year.

18                    SENATOR KRUEGER: I would add one to  
19          your list.

20                    EXEC. DEP. COMMISSIONER PERRIN: Sure.

21                    SENATOR KRUEGER: In discussions  
22          recently with a group of advocates for  
23          hunting in New York State, a discussion came  
24          out about people hunting to provide food for

1           their families. Why don't we do SNAP  
2           applications when we do hunting licenses?

3                   EXEC. DEP. COMMISSIONER PERRIN:  
4           That's a great idea.

5                   SENATOR KRUEGER: And fishing  
6           licenses.

7                   EXEC. DEP. COMMISSIONER PERRIN: Why  
8           don't we talk with DEC about that?

9                   SENATOR KRUEGER: Okay, I will. But  
10          hunting and fishing licenses -- people are  
11          hunting and fishing --

12                  EXEC. DEP. COMMISSIONER PERRIN: Sure.

13                  SENATOR KRUEGER: -- both for sport  
14          but also for food, and I think that's  
15          probably, particularly in rural New York  
16          State, a very good way to reach out to a  
17          population that might not ever have been  
18          exposed to this program.

19                  EXEC. DEP. COMMISSIONER PERRIN: I'll  
20          be sure someone in our agency reaches out to  
21          our counterparts at DEC, so thank you.

22                  SENATOR KRUEGER: Thank you.

23                  Homelessness issues -- and for my  
24          city, the numbers are terrifying. You talk

1           about it in your testimony, work going  
2           forward to provide funds for supportive  
3           housing and for other services involving the  
4           shelters.

5                       So in '15-'16 we approved money  
6           through a JPMorgan settlement for supportive  
7           housing. Last year during this budget  
8           hearing, that money had not gone out yet. Do  
9           you know if that money's gone out?

10                   EXEC. DEP. COMMISSIONER PERRIN: You  
11           might be referring to the MOU that was much  
12           discussed?

13                   SENATOR KRUEGER: No. It was the year  
14           before that.

15                   EXEC. DEP. COMMISSIONER PERRIN: Year  
16           before that? I'm sorry, I can't address the  
17           specific question, Senator. That was before  
18           my time at OTDA. And not to make excuses,  
19           but we'll try to get an answer for you.

20                   SENATOR KRUEGER: Okay. So I'll ask  
21           you to do some follow-up on even earlier than  
22           the MOU, which has of course not been signed  
23           and so those monies have not been spent.

24                   My understanding is the Governor has

1        rolled those unspent monies into this year's  
2        budget, with some additional money to go  
3        forward. So -- but technically, we're way  
4        behind where we ought to be on providing  
5        additional funding for supportive housing and  
6        other forms of affordable housing  
7        specifically for the homeless population.

8                EXEC. DEP. COMMISSIONER PERRIN: Yeah,  
9        I would respond then, just coming back to my  
10       testimony, that some of the supportive  
11       housing units -- we are moving forward with  
12       supportive housing development in the State  
13       of New York, as I pointed out. About 1200  
14       units have already been funded and are in  
15       various stages of progress through monies  
16       that had already been approved.

17               So as to the MOU, that has not yet  
18       been fully executed. As you know, the  
19       Governor directed the budget director to sign  
20       the MOU, so how and why the Senate and the  
21       Assembly -- I can't speak to the reasoning  
22       behind not to -- to full execution, but OTDA  
23       and our partners at HCR and OMH are moving  
24       forward pretty expeditiously.



1           SENATOR KRUEGER: Next question. And  
2           it does tie into all those agencies you just  
3           mentioned, but I think I'm going to make OTDA  
4           the key agency on this.

5           So my district has Bellevue Men's  
6           Shelter in it, the entryway to the singles  
7           homeless system in New York City. Bellevue  
8           Men's Shelter's, I believe, has approximately  
9           750 to 800 beds. There's been a skyrocketing  
10          number of people who are released from DOCCS  
11          facilities, State OMH facilities, other state  
12          institutions, with the only discharge plan  
13          being drop them off for entry into the  
14          homeless shelter system in my district.

15          That can't be the right answer. And  
16          it isn't legally the right answer. And based  
17          on discussions with the city, the number has  
18          been growing. So it's as if the state  
19          agencies have decided we don't have to deal  
20          with discharge planning. People will hit the  
21          day we decided they legally can leave or we  
22          want them to leave, and then they just take  
23          them down to 29th Street and First Avenue in  
24          Manhattan.

1                   It's a lousy model. What can we do  
2                   about it?

3                   EXEC. DEP. COMMISSIONER PERRIN: Well,  
4                   thank you for the question, Senator. It's  
5                   been very much top of mind in the short time  
6                   that I've been with OTDA, and we're working  
7                   very closely with our partners at DHS and the  
8                   city and the other districts around the  
9                   state. It's a question that came up at the  
10                  New York Public Welfare Association,  
11                  primarily attended by the district  
12                  commissioners from outside of New York City.

13                  This matter was brought to our  
14                  attention when I first walked in the door  
15                  about a year ago at OTDA. We invited the  
16                  Department of Corrections to address the  
17                  association last summer. We began putting  
18                  forward, together with DOCCS and the Public  
19                  Welfare Association, a plan to at least  
20                  notify the counties when a discharge is being  
21                  planned from the prison system.

22                  Moreover, we've been in much more  
23                  close discussions with DHS and with the  
24                  Department of Corrections in New York City in

1 particular. OTDA's role here is to work with  
2 DHS and, more importantly, make the  
3 connections with the providers who operate  
4 the facilities to make sure that we're  
5 facilitating a relationship with the  
6 Department of Corrections.

7 I would also add that the Governor's  
8 Interagency Council on the Homeless has  
9 formed a task force that over the course of  
10 this year will be addressing this issue in  
11 detail with Corrections, with OTDA, with DHS  
12 and the other district providers around in  
13 the counties around the State of New York.

14 So it's very much on our radar scope.  
15 We don't have any answers yet, but it's a  
16 thorny issue. And it's an important one, as  
17 you pointed out.

18 SENATOR KRUEGER: And correlated to  
19 that, specifically with discharge from DOCCS,  
20 how are we doing with programs so that people  
21 can have their Medicaid applications started  
22 or even completed before they're discharged  
23 so that when they return to their local home  
24 district, and particularly if they've been

1 taking meds for both health issues and mental  
2 health issues while in prison, that they  
3 don't find themselves literally with a 45-day  
4 gap before they're eligible for anything?

5 EXEC. DEP. COMMISSIONER PERRIN: I  
6 understand the issue, but I hesitate to speak  
7 for the Department of Corrections or the  
8 Department of Health on the matter. But I  
9 can tell you that there will very, very  
10 likely be an issue specifically on the agenda  
11 for the Interagency Council Task Force.

12 SENATOR KRUEGER: But it is OTDA that  
13 oversees the application process for  
14 Medicaid, right?

15 EXEC. DEP. COMMISSIONER PERRIN:  
16 Medicaid -- in -- through the DSS offices,  
17 right. We oversee that and we also  
18 tangentially handle fair hearings issues, you  
19 know, around Medicaid eligibility. Yes.

20 SENATOR KRUEGER: Thank you.

21 CHAIRWOMAN YOUNG: Thank you.

22 We've been joined by Senator  
23 Velmanette Montgomery.

24 CHAIRMAN FARRELL: Thank you.

1                   We have been joined by Assemblywoman  
2 Tremaine Wright.

3                   Next, Assemblywoman Lupardo.

4                   ASSEMBLYWOMAN LUPARDO: Hello. Just a  
5 couple of quick questions.

6                   Let's talk about SNAP just for a  
7 minute. I suspect that one group that is  
8 underutilizing SNAP benefits are older  
9 adults. You alluded to that earlier.

10                  EXEC. DEP. COMMISSIONER PERRIN:

11 Mm-hmm.

12                  ASSEMBLYWOMAN LUPARDO: I understand  
13 that a simplified SNAP application is a  
14 possibility, because it's fairly complicated  
15 and I think it's off-putting to older people  
16 in general. Can you give us an update on  
17 your progress in moving toward a more  
18 simplified approach for older adults?

19                  EXEC. DEP. COMMISSIONER PERRIN: You  
20 may be referring to the IES online system  
21 that will ultimately be available to simplify  
22 and combine the application process, in this  
23 case between SNAP and Medicaid in particular,  
24 since the eligibility information is very,

1           very similar.

2                       So IES, the IES project is progressing  
3           very nicely. We have submitted a funding  
4           proposal to the federal government, who will  
5           provide a significant portion of the funding  
6           for the development of that system. But I  
7           think more directly, I think part of the  
8           solution is ensuring that we have local  
9           agencies, such as aging service providers and  
10          the districts, who are facilitating the  
11          enrollments and undertaking the outreach  
12          that's necessary.

13                      We understand the complexity behind  
14          it. Frankly, I think the SNAP application is  
15          one of the easier ones. But we think that --  
16          you know, again, SNAP is a key antipoverty  
17          program, and the greater we can expand it,  
18          the greater chance we have of keeping people  
19          healthy and off public assistance.

20                      ASSEMBLYWOMAN LUPARDO: There's also a  
21          built-in reluctance on their part to be a  
22          burden and take advantage of something that  
23          they really should. And so any assistance we  
24          can provide with education and providing them

1 with that comfort level I think would be  
2 really appreciated as well.

3 EXEC. DEP. COMMISSIONER PERRIN: You  
4 know, it's a priority for the Governor, it's  
5 a priority for OTDA. And personally, you  
6 know, it's one of, in my time in the county  
7 governments, one of my favorites.

8 ASSEMBLYWOMAN LUPARDO: Thanks.

9 Could you talk about the HEAP  
10 expansion? Because I understand the Governor  
11 is suggesting it could be then used for  
12 weatherization purposes.

13 EXEC. DEP. COMMISSIONER PERRIN: Yes.

14 ASSEMBLYWOMAN LUPARDO: Two questions.  
15 How much of the HEAP grant is currently used  
16 each year? And is it possible that this  
17 could detract from its primary use? Just  
18 trying to get the overall landscape on the  
19 funds and this particular diversion, or this  
20 expansion.

21 EXEC. DEP. COMMISSIONER PERRIN: So  
22 the thinking behind this proposal is taking  
23 \$14.5 million and providing it under contract  
24 to NYSERDA. NYSERDA has, you know, an

1 extensive network of contractors who do  
2 relatively low-dollar-value weatherizations  
3 in homes. It's not the only weatherization  
4 program that's out there. Homes and  
5 Community Renewal also has a weatherization  
6 program, but their model tends to be more of  
7 a whole-house approach.

8 So by taking some of the HEAP dollars  
9 and putting it into a NYSEERDA program, we  
10 hope to serve many, many more households than  
11 perhaps were in the past. So the thinking is  
12 to not only touch more households, but to put  
13 the emphasis on energy conservation rather  
14 than simply paying a utility bill.

15 ASSEMBLYWOMAN LUPARDO: Understood.

16 And I just have one last question  
17 about the Lottery intercept. You said you  
18 were trying to align this with child support  
19 payments, for example. Do they have a  
20 similar 100 percent recoupment for 10 years?

21 EXEC. DEP. COMMISSIONER PERRIN: I  
22 believe that's the case, yes.

23 ASSEMBLYWOMAN LUPARDO: So it's not --  
24 we understood that the rationale was to cut



1 down on illegal purchases that occur while in  
2 receipt of public assistance. So that wasn't  
3 the connection?

4 EXEC. DEP. COMMISSIONER PERRIN: I  
5 think there might be two different issues in  
6 play here, Assemblymember. The Lottery  
7 intercept is really a matter of giving the  
8 state another tool to recoup dollars that  
9 should be owed back to the state under the  
10 Public Assistance Program.

11 The EBT card system and the misuse of  
12 EBT cards in locations that are perhaps  
13 suspect and where EBT cards are being used in  
14 a way that they shouldn't be used --

15 ASSEMBLYWOMAN LUPARDO: To purchase  
16 Lottery tickets sometimes, I think that was  
17 the --

18 EXEC. DEP. COMMISSIONER PERRIN: Oh,  
19 I'm sorry, I misunderstood.

20 ASSEMBLYWOMAN LUPARDO: No, I wasn't  
21 clear.

22 EXEC. DEP. COMMISSIONER PERRIN: I  
23 misunderstood, yeah.

24 So our enforcement system behind the

1 use of EBT cards is really aimed at the  
2 vendors. So if we find that an EBT card has  
3 been misused in any way -- and we have many,  
4 many ways of finding that out -- our  
5 enforcement mechanism directly, on top of the  
6 investigations that are done by the local  
7 districts, is to work very, very closely with  
8 some of our state partners. Including the  
9 Gaming Commission, which would address the  
10 Lottery issue, and also the State Liquor  
11 Authority, which would address inappropriate  
12 use of EBT benefits in those locations under  
13 their jurisdiction.

14 ASSEMBLYWOMAN LUPARDO: Okay. Thank  
15 you.

16 EXEC. DEP. COMMISSIONER PERRIN: Thank  
17 you.

18 CHAIRMAN FARRELL: Thank you.  
19 Senator?

20 CHAIRWOMAN YOUNG: Thank you.  
21 Senator Persaud.

22 SENATOR PERSAUD: Thank you, Deputy  
23 Commissioner.

24 My first question to you is pertaining

1 to the shelters that you evaluated, and  
2 97 percent of them had major issues. Did you  
3 have the opportunity to close any shelters  
4 while you were doing the survey?

5 EXEC. DEP. COMMISSIONER PERRIN: Well,  
6 first -- let me clarify, first of all, that  
7 97 percent of the shelters that we inspected  
8 had some level of violation. So each and  
9 every one of those violations we kind of  
10 assigned a ranking or a score to. We used  
11 the numbers 1 through 3, Level 3, Level 2,  
12 Level 1, Level 3 being those violations which  
13 presented a very immediate risk to health and  
14 safety of a resident of that shelter unit.

15 So those issues were -- in some cases  
16 we demanded the removal of the family and  
17 relocation to another safe location. In some  
18 cases, we ordered the immediate remediation,  
19 in cases where an issue could be addressed  
20 within hours without having to relocate the  
21 family. So I think there was a total of  
22 approximately 100 units of housing in  
23 New York City where one of those two things  
24 occurred.

1           So the Level 2 and the Level 1  
2           violations, being less of a risk to health  
3           and public safety, were all put under what we  
4           call a corrective action plan. And a  
5           corrective action plan is simply a tool, kind  
6           of a term of art that we use to hold the  
7           local districts accountable. So it would be,  
8           in New York City, DHS, and in the county,  
9           departments of social services who are  
10          directly responsible for ensuring that those  
11          violations get corrected. And we used the  
12          ranking system as a matter of triaging what  
13          was most important.

14                Enforcement tools that the agency has  
15          include suspension of payments to the local  
16          district should the violations not be  
17          corrected; closure of the facilities; and  
18          removal of the operators, for example, who in  
19          most cases are not-for-profit operators who  
20          operate many, many of the shelters in the  
21          State of New York.

22                So we've used those tools. I don't  
23          think we've done a suspension of payment.  
24          Keeping in mind that the overall purpose of

1       our enforcement program is one of cooperation  
2       and one of -- we're very, very conscious of  
3       not taking shelter units offline, and  
4       understanding that there is, you know, a  
5       shortage of available units, especially in  
6       New York City. I mean, you know --

7               SENATOR PERSAUD: Oh, we know.

8               EXEC. DEP. COMMISSIONER PERRIN: I'm  
9       sure you all heard the term cluster sites,  
10      and we've all heard the -- are concerned  
11      about the use of hotel-motels. Nobody at  
12      ODTA and I'm sure no one at DHS thinks those  
13      are the best uses or the best locations for  
14      homeless individuals and families. But  
15      nonetheless, we're very conscious about not  
16      taking units offline, while being very, very  
17      diligent about enforcing the correction of  
18      violations.

19              So toward that end, we've taken an  
20      approach where we will maintain staffing, we  
21      will maintain a regulatory structure, and we  
22      will maintain an inspection process and  
23      schedule that really, really stays on top of  
24      each of the shelters, each of the

1           jurisdictions in the state that are  
2           responsible for these repairs, and ensuring  
3           that they do in fact get made.

4                   And in most cases I'm happy to report  
5           we've had good cooperation, in DHS in  
6           particular. We all recognize we're kind of  
7           in the same business, we have the same  
8           interests in some ways. But OTDA will not  
9           hesitate to use the enforcement powers at its  
10          disposal.

11                   SENATOR PERSAUD: One other thing. It  
12          covers the Lottery and the decision that  
13          someone winning the Lottery, if they were  
14          receiving public assistance, has to repay it  
15          a hundred percent. Can you tell us what was  
16          the justification for that policy?

17                   EXEC. DEP. COMMISSIONER PERRIN:  
18          Again, it's aligning the ability to intercept  
19          income from individuals that would, as I  
20          think we noted, include income tax refunds  
21          and child support payments that might be  
22          paid. So it's simply to give us another tool  
23          to recoup more money for the taxpayers that  
24          should be paid, that the public assistance

1           system should be recouping.

2           SENATOR PERSAUD:   Okay.   But aren't  
3           you afraid that sometimes it will force  
4           someone back into a public assistance role,  
5           if you --

6           EXEC. DEP. COMMISSIONER PERRIN:   I'm  
7           sorry, Senator?   I couldn't hear you.

8           SENATOR PERSAUD:   If you're taking the  
9           hundred percent, you're asking them to repay  
10          a hundred percent, aren't you afraid that in  
11          some cases you may be pushing someone back to  
12          public assistance?

13          EXEC. DEP. COMMISSIONER PERRIN:   You  
14          know what, I don't think that's a serious  
15          concern on our part.   Keeping in mind that  
16          the public assistance programs are  
17          eligibility-based, to begin with.   So if you  
18          have a source of income, either from Lottery  
19          winnings or an inheritance or, you know, you  
20          sell a car or something like that, all those  
21          assets are taken into consideration in the  
22          eligibility process.

23          SENATOR PERSAUD:   Okay, thank you.

24          EXEC. DEP. COMMISSIONER PERRIN:   Thank

1           you.

2                   CHAIRWOMAN YOUNG:   Thank you.

3                   CHAIRMAN FARRELL:   Assemblyman  
4           DenDekker.

5                   ASSEMBLYMAN DENDEKKER:   Thank you,  
6           Mr. Chairman.

7                   I'm going to try to stay on the topic,  
8           for a moment, of the Lottery intercept.   So  
9           over the last 10 years, how many New Yorkers  
10          have received some sort of public assistance?

11                   EXEC. DEP. COMMISSIONER PERRIN:  
12          Public assistance caseload -- I have that  
13          here for you.   The public assistance caseload  
14          is approximately 559,000 at this point.

15                   ASSEMBLYMAN DENDEKKER:   And that's  
16          over the last 10 years?

17                   EXEC. DEP. COMMISSIONER PERRIN:   Oh,  
18          no, that's in the last -- it was as of  
19          July 2016.

20                   ASSEMBLYMAN DENDEKKER:   Okay, as of  
21          July 2016.   But this intercept goes back for  
22          10 years --

23                   EXEC. DEP. COMMISSIONER PERRIN:  
24          There's a 10-year lookback period, yeah.



1           ASSEMBLYMAN DENDEKKER: There could be  
2           many people that 10 years ago were on public  
3           assistance, have since gotten off and have  
4           gotten jobs and are now working and doing  
5           very well and maybe play the Lottery. And  
6           they go play a lottery ticket, and they beat  
7           the odds and they get \$700. And the state  
8           wants to take all of that money from that  
9           person to recoup the taxpayer money that we  
10          spent nine years ago?

11          EXEC. DEP. COMMISSIONER PERRIN: I  
12          think that's an accurate characterization.

13          If you're looking for a number of  
14          people this might impact, we can get you that  
15          data.

16          ASSEMBLYMAN DENDEKKER: Okay, I  
17          appreciate that.

18          So now what I want to know is, do you  
19          have on every Lottery terminal in the State  
20          of New York a notice to people saying "Before  
21          you purchase a lottery ticket, if you  
22          received any type of public assistance in the  
23          last 10 years and you win, we're going to be  
24          taking back the money that we gave you"?

1           Because of all those hundreds of thousands of  
2           people, which we know the chance of winning  
3           the Lottery is so minute -- I would imagine  
4           you freely take all of their money, but when  
5           it comes time to give it back to them, we  
6           don't want to.

7                        So don't you think it would be  
8           appropriate, then, to put a notice at every  
9           Lottery terminal telling residents of the  
10          State of New York that if they received any  
11          money at all in the last 10 years for any  
12          type of public assistance and they win over  
13          \$600, then you're going to take all the money  
14          from them?

15                      EXEC. DEP. COMMISSIONER PERRIN: Well,  
16          we already have -- the intercept already  
17          applies to 50 percent of Lottery winnings  
18          over \$600, so this would simply move it from  
19          50 percent to 100 percent.

20                      ASSEMBLYMAN DENDEKKER: I understand,  
21          but now you're going to 100.

22                      EXEC. DEP. COMMISSIONER PERRIN: Sure.

23                      So -- but to your suggestion about,  
24          you know, posting a notice, that's something

1           that could be addressed with Racing &  
2           Wagering and the Gaming Commission. That's  
3           not -- would not be an OTDA responsibility.  
4           We do not have any oversight over the Lottery  
5           system.

6                   ASSEMBLYMAN DENDEKKER: Would that  
7           also include the video lottery terminals at  
8           the racinos? Because they're technically the  
9           Lottery.

10                   EXEC. DEP. COMMISSIONER PERRIN: Those  
11           Lottery winnings would -- they would be  
12           subject to this intercept. But again, to  
13           your point about notification, I think that's  
14           an issue that could be explored with the  
15           Gaming Commission.

16                   ASSEMBLYMAN DENDEKKER: So would it be  
17           maybe safe to say that we should also notify  
18           people maybe if they have gambled at all and  
19           lost, that they should get their money back,  
20           seeing you were going to take it from them  
21           anyway? Or should that money be deducted  
22           from any of the public assistance money they  
23           received 10 years ago, because they have  
24           given money back to the state.

1 EXEC. DEP. COMMISSIONER PERRIN: I'm  
2 not quite sure I understand the scenario  
3 you --

4 ASSEMBLYMAN DENDEKKER: So let's say  
5 10 years ago I was on public assistance and I  
6 received -- and by the way, I would imagine  
7 as people get off of public assistance, we  
8 don't give them a bill so they know what that  
9 amount would be, because we're going to leave  
10 it up to you to someday tell them, after you  
11 take their money, how much you gave them.

12 I think if someone gets off public  
13 assistance, then you should give them a bill  
14 saying, you know, while you were on public  
15 assistance, we gave you \$45,000, and someday  
16 we're going to try to get it back from you  
17 over the next 10 years. We should tell them  
18 that.

19 And then what we should also do is if  
20 they are playing the lottery for nine years  
21 and they've lost a thousand dollars a year  
22 for nine years, we should deduct that \$9,000  
23 from the \$45,000 that you gave them, because  
24 they gave the money back to the state and

1           they didn't win.

2                   EXEC. DEP. COMMISSIONER PERRIN:  I  
3           understand the concern, Assemblyman.

4                   ASSEMBLYMAN DENDEKKER:  So do you  
5           think we should take that into consideration  
6           and follow that data?

7                   EXEC. DEP. COMMISSIONER PERRIN:  We'll  
8           take that under advisement.  You know, I'm  
9           not prepared to discuss the details of that  
10          scenario that you just laid out today.

11                  ASSEMBLYMAN DENDEKKER:  I'm just very  
12          concerned of the hundreds of thousands of  
13          people that are playing lotteries or maybe  
14          going to racino that receive some sort of  
15          public assistance and have no idea that they  
16          could be held liable for it in the future,  
17          and that we are not keeping track -- or not  
18          advising them to keep track of anything that  
19          they spend back to the state that would be  
20          considered giving back the money.

21                  EXEC. DEP. COMMISSIONER PERRIN:  Okay,  
22          I understand the concern very well now.  
23          Thank you.

24                  ASSEMBLYMAN DENDEKKER:  Okay.

1                   CHAIRMAN FARRELL: Thank you.

2                   Senator?

3                   CHAIRWOMAN YOUNG: Senator Montgomery.

4                   SENATOR MONTGOMERY: Thank you. Good  
5                   afternoon, or good morning. I want to ask  
6                   you -- there are so many things that I would  
7                   like to ask, but because of time constraints,  
8                   I'm going to just stick with the whole issue  
9                   of the housing.

10                  Obviously, one of the most painful  
11                  situations that we have going on in the city  
12                  is the large number of homeless families with  
13                  children. Half the homeless people in the  
14                  city are actually children.

15                  So in your testimony and in the  
16                  Governor's plan, you talk about the  
17                  \$20 billion proposed investment in affordable  
18                  housing, and of the 100,000 units that you  
19                  anticipate to result from that funding, 6,000  
20                  of those units will be supportive housing.  
21                  And you also mention that 540 new supportive  
22                  housing units have come online. Is that this  
23                  year, this past year, the 540 units?

24                  EXEC. DEP. COMMISSIONER PERRIN: This

1 past year. And that 540 is not included in  
2 either the 6,000 or 100,000 units.

3 SENATOR MONTGOMERY: Okay, so this is  
4 over and above the 6,000.

5 And can you give me at some point --  
6 maybe not just immediately now, but I would  
7 like to know, of those 540 supportive housing  
8 units, how many might be in districts like  
9 mine in Brooklyn?

10 EXEC. DEP. COMMISSIONER PERRIN:  
11 Certainly. We keep track of that data very  
12 carefully. We'll get that to you directly,  
13 Senator.

14 SENATOR MONTGOMERY: I would  
15 appreciate that.

16 EXEC. DEP. COMMISSIONER PERRIN:  
17 Certainly.

18 SENATOR MONTGOMERY: And you talk  
19 about a process that I think is really very,  
20 very important and that is that you partner  
21 with HCR and OMH, and together you provide  
22 housing for people with varying needs in  
23 terms of supportive housing.

24 So the Northwell report, which is a

1 report to look at ways and proposed ways in  
2 which we can improve healthcare delivery in  
3 Brooklyn, they include in their  
4 recommendations an area that relates to  
5 housing. Because according to them, and I  
6 certainly agree, that healthcare delivery  
7 includes, to some extent -- there are  
8 hospitals in my district where people remain  
9 in the hospital because they have nowhere to  
10 go when they leave. So the hospital becomes  
11 a homeless shelter, in a sense.

12 And I know that the model that you  
13 talk about really does work. There is an  
14 organization that specifically provides that  
15 model, and it works very, very well.

16 So my question to you is, how much of  
17 the process in terms of looking forward at  
18 the 6,000 units -- you mention in your report  
19 that you are looking to support -- to bring  
20 on 1200 units. So I'm just wondering how  
21 much of that reflects this process that we  
22 know works, that makes a lot of sense for  
23 both providers of services as well as people  
24 who are in need of those services. So I'm



1           just asking you to talk about that a little  
2           bit.

3                     EXEC. DEP. COMMISSIONER PERRIN:  Sure.

4                     SENATOR MONTGOMERY:  And also you  
5           should know that some people end up going  
6           into homeless shelters because it's required  
7           that they be in a shelter in order to be  
8           eligible for permanent housing.  That, to me,  
9           is an absolute disgraceful kind of process.

10                    So those two issues I would like for  
11           you to respond to, if you will.

12                    EXEC. DEP. COMMISSIONER PERRIN:  Okay.  
13           Well, thank you.  And I'm going to suggest  
14           that perhaps you ask the same question of  
15           Mr. Rubin tomorrow, because a lot of what you  
16           are addressing here has to do with HCR's  
17           programs.

18                    SENATOR MONTGOMERY:  Absolutely.  I  
19           intend to, yes.

20                    EXEC. DEP. COMMISSIONER PERRIN:  But I  
21           think a key point here is that most of the  
22           supportive housing projects in the State of  
23           New York that I am familiar with are really  
24           part of a large partnership.  In some

1 cases -- I was at a supportive housing  
2 groundbreaking in Troy late last year where I  
3 think there were 12 separate funding partners  
4 tied to it. Together with supportive housing  
5 providers, it really must be a  
6 community-based effort.

7           So each of the programs has a slightly  
8 different application process. HHAP, for  
9 example, the program run by our agency, has a  
10 rolling RFP process. So over the course of  
11 the year, we'll take applications that meet  
12 the criteria for the program, and we score  
13 them. And it's not a ranking, it's just a  
14 pass/fail. So those programs that, you know,  
15 pass our scoring test -- which include  
16 complete funding, which include an indication  
17 that they can continue to operate the  
18 supportive programs going forward -- if they  
19 pass that test, they get into sort of a  
20 first-come-first-served line for approval by  
21 the board.

22           So HCR has a little bit of a different  
23 model. OMH is operating an RFP process  
24 called the ESSHI, we call it; it's the Empire

1 State Supportive Housing Initiative, which is  
2 their component here. So it's, again, a  
3 very, very collaborative process, not just  
4 within state agencies but with the  
5 communities.

6 SENATOR MONTGOMERY: So will you --  
7 since this model really works, and we're  
8 hopeful that based on the Northwell report  
9 and the possibility of us having  
10 opportunities for supportive housing to be  
11 developed in Brooklyn, and the tremendous  
12 need that we have for it, can you streamline  
13 that process a little bit more so that it's  
14 not so difficult to actually bring online and  
15 implement that kind of program?

16 EXEC. DEP. COMMISSIONER PERRIN: Well,  
17 first of all, I must confess I'm not familiar  
18 with the report you referred to.

19 Secondly, due to the funding streams  
20 that I just noted, the different  
21 requirements -- particularly where federal  
22 money is involved, which is the case with HCR  
23 programs -- I would say that what we've done  
24 internally to address the streamlining issue

1       is -- I know at OTDA we provide very, very  
2       hands-on support from our staff to assist  
3       with the application process, to assist with  
4       the program, assembling the program, and even  
5       to keep an eye on the actual project  
6       development going forward. So we understand  
7       the complexities, we understand the  
8       timelines.

9               In OTDA -- I mentioned the scoring  
10       process. If a project applicant comes in and  
11       does not meet the minimum criteria, we're  
12       more than willing to go work with the  
13       not-for-profit for the project sponsor to  
14       show them where they fell short, suggest ways  
15       that they could put together an application  
16       process that could ultimately be funded.

17              So I think the way we address the  
18       complexity is in a combination of  
19       understanding the complexity and, secondly,  
20       doing quite a bit of handholding and  
21       advisement to the applicants.

22              SENATOR MONTGOMERY: And I certainly  
23       appreciate that.

24              And I'd just like to say that

1        hopefully you are looking at, when it comes  
2        to affordable housing in particular,  
3        supportive housing and et cetera, that you're  
4        looking at the not-for-profit housing  
5        community to lead the way to development of  
6        these units. Because it just seems that we  
7        get more benefit when we remove the profit  
8        motive, which is what is, you know, inherent  
9        in a private developer's motivation.

10                So hopefully we'll see a lot more of  
11        what you just described as your participation  
12        in helping people to apply for this, putting  
13        together this complicated process as well as  
14        relying a lot on the not-for-profit housing  
15        community, some of whom are extremely expert  
16        in doing this kind of housing and  
17        programming.

18                EXEC. DEP. COMMISSIONER PERRIN:

19        Absolutely, Senator. Thank you for the  
20        comment.

21                Most of the projects that are  
22        undertaken by HHAP -- and again, I'm not  
23        speaking for my colleague Commissioner  
24        Rubin -- most of them are -- the project

1           sponsors or the key sponsors are  
2           not-for-profits.

3                   SENATOR MONTGOMERY: And not to be so  
4           parochial, but I'm going to ask you and  
5           Commissioner Rubin to come to our district  
6           and look at some of the projects that we've  
7           been able to get you to do that work so well.  
8           And I think it's just important for us to try  
9           to do as much as we can to eliminate this  
10          problem of homelessness by doing quality  
11          affordable housing programs that really work  
12          for people.

13                   EXEC. DEP. COMMISSIONER PERRIN: I  
14          think you're spot on, Senator, so I  
15          appreciate that very much. And if  
16          Mr. Roberts was here today, he would tell you  
17          how many trips, how many miles he's put on  
18          his car going to ribbon-cuttings and visiting  
19          projects. I wish I could say I've had the  
20          time to do the same. But we are very much  
21          hands-on at the top levels of our agency, so  
22          thank you.

23                   SENATOR MONTGOMERY: Thank you,  
24          Commissioner.

1 CHAIRWOMAN YOUNG: Thank you.

2 CHAIRMAN FARRELL: Thank you.

3 We've been joined by Kimberly  
4 Jean-Pierre.

5 And next to question, Assemblywoman  
6 Wright.

7 ASSEMBLYWOMAN WRIGHT: Good afternoon.  
8 I wanted to ask a few questions regarding --  
9 well, I have a few questions that I'm going  
10 to lay out for you. So one I didn't fully  
11 understand, with the Lottery grab-back, what  
12 public benefits are currently recouped at  
13 100 percent? And if you could just give us a  
14 list of what those benefits are. So if it's  
15 HEAP, if it's welfare benefits, if it's SNAP  
16 dollars, what -- just so I can get a clear  
17 picture of what exactly the grab-back or the  
18 recouping effects.

19 EXEC. DEP. COMMISSIONER PERRIN: I'm  
20 sorry, Assemblymember, I couldn't quite hear  
21 the front end of your question.

22 ASSEMBLYWOMAN WRIGHT: Oh, okay. So  
23 this is regarding the Lottery recoupment.

24 EXEC. DEP. COMMISSIONER PERRIN:

1 Lottery intercept, okay.

2 ASSEMBLYWOMAN WRIGHT: Yes. I wanted  
3 to understand what public benefits are  
4 currently being recaptured at 50 percent and  
5 that are going to be thereafter captured at  
6 100 percent.

7 EXEC. DEP. COMMISSIONER PERRIN: I  
8 know the Public Assistance Program is  
9 included in that. I will have to get some  
10 detail from counsel and program staff as to  
11 whether it applies to HEAP or SNAP. Or  
12 anything else, certainly.

13 ASSEMBLYWOMAN WRIGHT: Okay, just give  
14 us the global picture.

15 EXEC. DEP. COMMISSIONER PERRIN: Sure,  
16 absolutely.

17 ASSEMBLYWOMAN WRIGHT: And while I'm  
18 asking for lists, I am in a district that  
19 overlaps with Senator Montgomery's, and I  
20 would also like to -- I know that you're  
21 preparing a list of supportive housing units  
22 within that district. So if you could please  
23 provide one to me, specifically, under  
24 District 56 as well.



1 EXEC. DEP. COMMISSIONER PERRIN:

2 Certainly. Happy to do that.

3 ASSEMBLYWOMAN WRIGHT: Thank you.

4 And I wanted to ask you about the

5 supportive housing for our aging community.

6 I know that we said that we have dollars for

7 the actual structure. Do we also have

8 dollars and are you providing or doing a

9 set-aside so that we can have supportive

10 services within the building, be it

11 caretakers, rehabilitation --

12 EXEC. DEP. COMMISSIONER PERRIN: Yes.

13 Yeah. So that's a very, very important

14 component of the supportive housing program

15 that the Governor has initiated, and there

16 are two main funding sources.

17 OTDA has a source of funding that

18 provides -- beyond capital, beyond

19 construction services. So we have a program

20 within OTDA.

21 And I mentioned what we kind of

22 short-term call ESSHI, the Empire State

23 Housing Initiative, which was another

24 initiative of the Governor's last year. That

1 is being managed by the Office of Mental  
2 Health.

3 ASSEMBLYWOMAN WRIGHT: And so they're  
4 both providing dollars for the --

5 EXEC. DEP. COMMISSIONER PERRIN:  
6 Actual operating and services within  
7 supportive housing, yes.

8 ASSEMBLYWOMAN WRIGHT: Okay. And I  
9 think Senator Krueger was asking you about  
10 discharge plans for those being released from  
11 prisons and jails. And so I wanted to ask  
12 you to speak a little bit more fully about  
13 the collaborative work that you said that  
14 you're going to be doing with DOC, and --  
15 because one of the concerns that was raised  
16 in our community was that folks who suffer  
17 from mental illness, particularly I believe  
18 it was bipolar disease, are no longer given  
19 prescriptions upon release because we're no  
20 longer allowed to, and that they are -- and  
21 they also don't have a home to return to, so  
22 they're going into the homeless shelters. So  
23 they have a prescription waiting at some  
24 pharmacy that may be close to where they used

1           to live; however, they have no home in that  
2           district.

3                       And so how are we -- I would like to  
4           know, how is that going to be addressed? And  
5           what efforts are being made so that we can  
6           capture that population and actually keep  
7           them on their medications?

8                       EXEC. DEP. COMMISSIONER PERRIN: Sure.  
9           I think that's an important point, and I  
10          think much more in the lane of the Department  
11          of Health, for example, in terms of  
12          medications and how and where they're  
13          prescribed.

14                      ASSEMBLYWOMAN WRIGHT: But aren't you  
15          going to do a -- and I might be wrong; I  
16          thought I saw something that said it's going  
17          to be case management for the formerly  
18          incarcerated here?

19                      EXEC. DEP. COMMISSIONER PERRIN: We  
20          will be putting -- part of that -- I  
21          mentioned the task force that will be formed  
22          as part of the Governor's Interagency Council  
23          on Homelessness. So they will begin their  
24          work over the course of 2017, make

1           recommendations for the Department of  
2           Corrections, for the human services agencies,  
3           for the shelter systems. So I would expect  
4           that the concern that you mention will be  
5           very much part of that agenda.

6                   ASSEMBLYWOMAN WRIGHT: So who's going  
7           to be on this -- I'm sorry if I missed that,  
8           but who's going to be on this task force?

9                   EXEC. DEP. COMMISSIONER PERRIN: The  
10          Department of Corrections, OTDA, I believe  
11          DOH and OASAS and perhaps OMH.

12                   That task force is still under  
13          formation. You might know that the task  
14          force is being led by Fran Barrett, directly  
15          from the Governor's office, and is staffed by  
16          OTDA. So we'll be happy to, you know, get  
17          you more information as that task force  
18          develops.

19                   ASSEMBLYWOMAN WRIGHT: Thank you.

20                   EXEC. DEP. COMMISSIONER PERRIN:

21          You're welcome. Thank you.

22                   CHAIRMAN FARRELL: Thank you.

23                   Senator?

24                   CHAIRWOMAN YOUNG: Yes, Senator

1 Comrie.

2 SENATOR COMRIE: Thank you.

3 Commissioner, I wanted to align myself  
4 with the admonitions from the other members  
5 regarding the Lottery winnings. I think it's  
6 just unfair and it really needs to be looked  
7 at. I think that if -- and I hope that there  
8 will be some changes made before the  
9 Executive Budget. So I just want to align  
10 myself with those thoughts, and also bring up  
11 some other issues.

12 Number one, in my mind, the Summer  
13 Youth Employment Program. I do see a  
14 \$5 million cost-of-living adjustment, but I  
15 haven't seen an increase in the number of  
16 slots in the Summer Youth Employment Program  
17 for at least 10 years. And I wanted to know  
18 why are we still stuck at the same number of  
19 slots that we've had for 10 years when the  
20 need for summer youth to have job  
21 opportunities is consistently increasing?

22 EXEC. DEP. COMMISSIONER PERRIN: Well,  
23 I would say that as a matter of balancing the  
24 budget and maintaining the number of youth

1       employment slots that we had last year, it  
2       was important to the Governor to add  
3       \$5 million to the program. So, you know,  
4       just in the context of the entire budget --

5               SENATOR COMRIE: But it doesn't  
6       increase the number of slots.

7               EXEC. DEP. COMMISSIONER PERRIN: Well,  
8       that's correct. But if the appropriation  
9       stayed flat, that number of slots would have  
10      fallen. So at the very least, you know, the  
11      Governor wants to maintain the same number of  
12      slots that we had last year with the  
13      additional appropriation.

14              SENATOR COMRIE: But in every year  
15      there's at least a three-to-one or  
16      four-to-one number regarding the people that  
17      applied and the people that actually get  
18      jobs. And hopefully -- you know, I'm a  
19      beneficiary of the Summer Youth Employment  
20      Program. It gave me my first job experience,  
21      my first opportunity to work outside of home.

22              And I just don't understand why we  
23      haven't worked to increase the number of  
24      slots available, not just to increase to

1       adjust for inflation or adjust to deal with  
2       the minimum wage. The opportunity for young  
3       people especially, all over the state, to  
4       have a first work experience that's real and  
5       valid is really becoming more and more  
6       difficult, because the number of people that  
7       are applying and eligible and are frustrated  
8       by this continues to grow.

9               So I would hope that we could increase  
10       the number of actual slots this year. I  
11       don't think the actual number of slots have  
12       been increased for 10 years, and we need to  
13       take a hard look at that. And I hope that  
14       that can be done as well.

15              I'm also concerned about some of the  
16       other things in the budget that are looking  
17       to be eliminated, actually -- the Wheels for  
18       Work program. The ATTAIN program has been  
19       eliminated altogether. The Career Pathways  
20       program, the childcare opportunities that are  
21       in here for both CUNY and SUNY, and the  
22       childcare demonstration projects. Could you  
23       give us some reasons why those critical  
24       programs for especially people that are

1       trying to sustain a minimum income are being  
2       eliminated?

3               EXEC. DEP. COMMISSIONER PERRIN:   Sure.  
4       And thank you very much for the question,  
5       Senator.   We understand.

6               But I think the Governor's budget is  
7       fairly consistent from last year to this  
8       year, and those items, among others, that you  
9       just mentioned were added in as part of the  
10      budget process last year.

11              So I would point out that the fact  
12      that they're not in the Governor's proposed  
13      budget does not necessarily indicate  
14      opposition to those programs.   Indeed, the  
15      Governor did in fact approve the budget last  
16      year including those programs.   So I would  
17      leave it to this committee and the budget  
18      process, together with the Division of Budget  
19      and the Governor's office, to address the  
20      concern.

21              SENATOR COMRIE:   Okay, so you're  
22      clearly saying that you're leaving it up to  
23      us to put it back in.   I get that.   But I  
24      would hope that we'd make sure that those



1 programs are put in at the front end of the  
2 budget so that those people don't have to  
3 stress from year and year and be concerned  
4 about it and are coming to our offices to  
5 express their shock and disdain that they  
6 have to be concerned about something, you  
7 know, that's basic to their quality of life  
8 is not eliminated as well. So I hope that we  
9 can get past that quickly.

10 And I just also want to align myself  
11 with the issues of trying to make sure that  
12 children and family shelters are given better  
13 opportunities for a smooth transition in  
14 housing. I have a lot of -- unfortunately,  
15 one of the highest school districts in terms  
16 of foster children and transitional children  
17 in southeast Queens, where we have many  
18 schools that are actually -- actually,  
19 one-third to one-half of the school  
20 population every year is transitioning  
21 because they're moving from shelter to  
22 shelter.

23 And I would hope that we can improve  
24 those statistics, working together to make

1           that happen.

2                   EXEC. DEP. COMMISSIONER PERRIN:  We  
3           very much appreciate the concern, Senator.  
4           It's something that's very much on the radar  
5           scope of -- and OTDA, as the regulatory  
6           oversight agency, is working with those  
7           responsible for running the shelter system --  
8           in this case, the Division of Homeless  
9           Services in New York City and the providers.

10                   So it's a matter that we've brought to  
11           their attention, and I can tell you that it's  
12           also of concern to New York City DHS.

13                   SENATOR COMRIE:  Thank you.

14                   Is my five minutes up already?  Was  
15           that the full time?  Time flies.

16                   (Laughter.)

17                   SENATOR COMRIE:  Thank you.  Thank  
18           you, Madam Chair.

19                   CHAIRMAN FARRELL:  Thank you.

20                   We've been joined by Assemblywoman  
21           Cook and Assemblyman Perry.

22                   Next to question, Chairwoman Jaffee,  
23           to close on this side.

24                   ASSEMBLYWOMAN JAFFEE:  Thank you.  I

1 wanted to follow up on a question regarding  
2 the public assistance proposal to create a  
3 pilot program that would offer case  
4 management services for public assistance  
5 recipients who are formerly incarcerated.

6 And I wanted to understand a little  
7 more in depth, how will the counties be  
8 selected for the pilot programs? What kind  
9 of case management services do you anticipate  
10 for these programs? And what kind of  
11 follow-up will there be, and ways to  
12 evaluate?

13 I'll tell you, we have an  
14 extraordinary program that began in  
15 Rockland County in 2014 called MADE, Making A  
16 Difference Everyday. And they, you know,  
17 really attempt to provide transitional  
18 services for formerly incarcerated residents.  
19 Is this a program that would be assisted,  
20 that type of program providing assistance,  
21 through this funding for this pilot program?  
22 And it doesn't say specifically where, but  
23 how will the counties be determined?

24 EXEC. DEP. COMMISSIONER PERRIN: Let

1 me just describe the program as best we -- as  
2 best it exists right now.

3 So two counties would be selected, and  
4 the idea is to select two counties from among  
5 those counties that already offer their own  
6 rent supplement programs. So the idea here  
7 is to focus on the homelessness issue and  
8 making sure that folks returning from prison  
9 are not left homeless, to some of the  
10 concerns that we've heard here today.

11 So understanding that it's \$200,000  
12 and only two counties, I'd like to just  
13 reemphasize that it is a pilot program. So  
14 that being the case, we're very much looking  
15 for some creative programming. So OTDA does  
16 not at this point intend to be prescriptive  
17 about what exactly those services are, so we  
18 very much look forward to applications and  
19 proposals from the counties that will be  
20 eligible.

21 ASSEMBLYWOMAN JAFFEE: You know,  
22 providing them a place to live is  
23 certainly -- taking them out of the homeless  
24 environment is important, but also assisting

1           them in terms of guidance, providing  
2           assistance in terms of maybe they need  
3           continuing education, assistance seeking  
4           jobs, that kind of -- and then counseling as  
5           well, and with the family as well, the kind  
6           of programs and assistance within the  
7           community.

8                     EXEC. DEP. COMMISSIONER PERRIN: Yeah,  
9           I think that package of services that you  
10          outline would be well received in an  
11          application by the agency.

12                    ASSEMBLYWOMAN JAFFEE: And I know that  
13          would be very helpful, because we can then  
14          take the opportunity to turn their lives  
15          around and provide them with a positive  
16          future and for our community as well.

17                    EXEC. DEP. COMMISSIONER PERRIN:  
18          That's the idea behind the pilot project, so  
19          thank you very much.

20                    ASSEMBLYWOMAN JAFFEE: And I like the  
21          pilot programs, but I think -- hopefully we  
22          can then expand and learn that they are  
23          making a difference.

24                    EXEC. DEP. COMMISSIONER PERRIN: Yeah,

1           and some of the concepts that you just  
2           outlined again are very much subject to the  
3           conversations between the Department of  
4           Corrections and especially New York City DHS.

5                     So, you know, with all those areas of  
6           service that I think the community and those  
7           of us in the human services world understand  
8           contribute to homelessness and contribute to  
9           the difficulty of reentry for folks from the  
10          prison system.

11                    ASSEMBLYWOMAN JAFFEE: Thank you.

12                    And I just want to go back to  
13          something that's so essential. You referred  
14          to the middle-class tax credit for childcare,  
15          which is important. But I also just want to  
16          mention that 83 percent of the children in  
17          our communities throughout the state that  
18          actually qualify for subsidies live in  
19          poverty, very, very low income. They are not  
20          being provided support. Only 17 percent.

21                    So it's something we have to focus on,  
22          something we need to address. Because they  
23          desperately need the support. The families  
24          need it because they need to work, the

1 children need it because this will prepare  
2 them as they move forward for kindergarten  
3 and education in a stable environment. And  
4 so I just wanted to mention that because I  
5 think it's essential.

6 EXEC. DEP. COMMISSIONER PERRIN: We  
7 appreciate the comment, and we understand  
8 that it's a key part of the Public Assistance  
9 Program, even though it's kind of within the  
10 expertise of my colleague Sheila Poole, who  
11 you heard from a few minutes ago.

12 But again, we collaborate very, very  
13 closely with OCFS on these kind of issues.

14 ASSEMBLYWOMAN JAFFEE: And hopefully  
15 we can work together to expand that funding.

16 Thank you. Thank you very much.

17 EXEC. DEP. COMMISSIONER PERRIN:  
18 Certainly. Thank you.

19 CHAIRMAN FARRELL: Thank you.  
20 Senator?

21 CHAIRWOMAN YOUNG: We're all set,  
22 Chairman.

23 CHAIRMAN FARRELL: That's it. Thank  
24 you very much.

1 EXEC. DEP. COMMISSIONER PERRIN: Thank  
2 you, members, chairs. Thank you to the  
3 chairwoman; thank you, Chairman. I'd like to  
4 thank the members of the committee.

5 CHAIRMAN FARRELL: Tell Mr. Roberts I  
6 hope he feels better.

7 EXEC. DEP. COMMISSIONER PERRIN: We  
8 very much appreciate the conversation today.  
9 So thanks very much.

10 CHAIRWOMAN YOUNG: Thank you for being  
11 here today.

12 SENATOR KRUEGER: Thank you very much.

13 CHAIRMAN FARRELL: Next, Roberta  
14 Reardon, commissioner, New York State  
15 Department of Labor.

16 Good afternoon.

17 COMMISSIONER REARDON: Good afternoon.

18 CHAIRWOMAN YOUNG: Hi, Commissioner.  
19 It's a delight to see you.

20 COMMISSIONER REARDON: Thank you.  
21 Nice to be here.

22 Senator Young, Assemblymember Farrell,  
23 and distinguished members of the committees,  
24 thank you for the opportunity to appear



1 before you today to discuss Governor Andrew  
2 Cuomo's proposed 2018 budget and the work of  
3 the Department of Labor.

4 During my first year as commissioner,  
5 I have taken part in events and visited  
6 Department of Labor offices in every region  
7 of the state, and I have seen firsthand the  
8 dramatic economic progress that's been made.  
9 New York State's unemployment rate stands at  
10 4.9 percent, down from 8.4 percent, and there  
11 are more than 7.9 million private-sector jobs  
12 in our state, the most on record.

13 The number of private-sector jobs is  
14 up, and unemployment is down, in every region  
15 of the state, but there's still much more  
16 that we can accomplish together. A great  
17 example is the minimum wage. Last year the  
18 Governor and the the Legislature took a  
19 historic step to jump-start New York's  
20 economy and make sure no one works a  
21 full-time job and lives in poverty. Raising  
22 the minimum wage to \$15 will impact about a  
23 quarter of the total workforce, more than 2.3  
24 million New Yorkers. It will lift more than

1       250,000 people and about 110,000 families out  
2       of poverty. And it will increase consumer  
3       spending power by more than \$15.7 billion,  
4       which will return to local economies and help  
5       sustain even more job growth across the State  
6       of New York. And on December 31st, we  
7       climbed that first rung on the ladder towards  
8       15.

9               One of our core responsibilities is to  
10       ensure that workers are being paid the proper  
11       wage. First, we educate, by reaching out to  
12       businesses, workers, organizations, and  
13       advocacy groups. We recognize that most  
14       businesses want to do the right thing, so  
15       we're working with them to make sure that  
16       they know what that is.

17              But there are some bad actors who  
18       knowingly profit by taking advantage of their  
19       workers. It hurts law-abiding businesses by  
20       creating unlevel playing fields and is not  
21       what we stand for here in the State of New  
22       York.

23              The Department of Labor is a leading  
24       member of the Joint Task Force to Combat

1 Worker Exploitation, and over the past three  
2 years we have recovered nearly \$110 million  
3 and returned that money to 84,000 workers who  
4 have been victimized by wage theft. To put  
5 this in perspective, that total is more than  
6 double that of any other state in the nation.

7 In the months ahead, we will continue  
8 these efforts, making sure that any worker  
9 who is cheated out of their proper pay is  
10 made whole.

11 We also stand by workers who lost a  
12 job through no fault of their own. Since the  
13 recession ended, we've continued to see fewer  
14 and fewer people needing unemployment  
15 insurance, but it is no less important.

16 Three years ago, as a result of the  
17 recession, the state's employers owed the  
18 federal Unemployment Insurance Trust Fund  
19 \$3.5 billion. But because you acted on the  
20 Governor's reform proposal, we were able to  
21 save employers an estimated \$200 million in  
22 interest costs. The trust fund ended 2016  
23 nearly \$1.3 billion in the black, and that's  
24 more than four times higher than in 2015.

1           But more reforms are needed. Current  
2           unemployment insurance rules discourage  
3           part-time work. For each day a claimant  
4           works now, even if for as little as an hour,  
5           their weekly benefit is reduced by 25  
6           percent. A part-time job serves as a bridge  
7           to full-time employment, by allowing an  
8           individual to maintain or even improve their  
9           skills while they're unemployed.

10          The Governor proposes greater  
11          incentives for unemployed workers to work  
12          part-time, potentially allowing them to  
13          return to work more quickly.

14          Another major part of what we do  
15          involves connecting job seekers to jobs and  
16          supporting businesses throughout the hiring  
17          process. For businesses, we offer a suite of  
18          no-cost services, in conjunction with Empire  
19          State Development, to both facilitate and  
20          incentivize hiring.

21          For job seekers, we offer 96 career  
22          centers strategically located in every corner  
23          of the state. In each center, we have  
24          seasoned career experts that work with job

1        seekers of all experience levels. We offer  
2        cutting-edge solutions to help people find  
3        work, like virtual career fairs, our Jobs  
4        Express job bank, the Career Zone tool to  
5        help young people plan their future, and an  
6        Employability Score, which allows job seekers  
7        to explore career openings, assess their  
8        employability, and connect with employers  
9        online, without leaving home.

10                How do we know these tools are  
11        working? Just ask the nearly 200,000 people  
12        that we helped get a job last year. And that  
13        number accounts for 25 percent of the people  
14        hired through all career centers nationwide,  
15        and that is far above any other state in the  
16        nation.

17                At a time when businesses are  
18        demanding workers, we are working to meet  
19        that demand. But we are also looking to the  
20        future. Middle-skill jobs are those that  
21        require more than a post-secondary education,  
22        but less than a four-year degree, and they  
23        represent a significant share of the labor  
24        market in New York and indeed across the

1 United States.

2 This is one reason why Governor Cuomo  
3 has proposed the first-in-the-nation  
4 Excelsior Scholarship, making college  
5 tuition-free for New York's middle-class  
6 families at all SUNY and CUNY colleges, and  
7 why he's making sure that it also applies to  
8 two-year colleges. This will help thousands  
9 of young people realize their dream,  
10 alleviate the burden of student debt, and  
11 help New York State address the need for more  
12 trained middle-skill workers.

13 Let me end on a note of reassurance.  
14 In a time when everyone is doing more with  
15 less across the board, we are assessing and  
16 responding to our changing landscape,  
17 prepared for the future. As the technology  
18 sector continues to boom across the  
19 United States, we are harnessing its many  
20 benefits here in New York State. By planning  
21 for 21st-century jobs under the New York Tech  
22 Workforce Development Task Force, we will  
23 ensure a pipeline of skilled workers ready to  
24 grow the businesses and economy of tomorrow.

1           We must identify the baseline for tech  
2           education and investigate what basic  
3           technological literacy should look like. The  
4           \$5 million Tech Workforce Training Fund will  
5           support innovative training and education  
6           solutions preparing New Yorkers for  
7           21st-century jobs.

8           The same technology that's creating so  
9           many great jobs is also changing the  
10          workforce as we know it. This change means  
11          that millions of people -- those who work as  
12          caregivers, independent drivers, programmers,  
13          and so on -- don't have reliable access to  
14          things like medical and unemployment  
15          insurance or worker's compensation. The  
16          existing system for supporting workers is  
17          simply outdated.

18          Portable benefits would bind things  
19          like retirement to each individual, instead  
20          of an employer, like in the traditional labor  
21          market. And the Portable Benefit Task Force  
22          will investigate these issues and make  
23          recommendations to make sure all workers,  
24          regardless of their industry, have affordable

1 access to benefits.

2 The gender pay gap is simply  
3 unacceptable. So we are going to continue to  
4 lead the nation, studying how to close the  
5 gender wage gap. One estimate predicted that  
6 closing the gap would add an additional  
7 \$4.3 trillion to the U.S. GDP by 2025, not  
8 including the effects this would have on  
9 reducing the cost of social safety net  
10 programs and of course the improvements to  
11 family life, economic output, and overall  
12 productivity.

13 This is a time of great uncertainty,  
14 yes, but New York has weathered uncertainty  
15 before. And our mission is clear. No matter  
16 what happens on the federal level, we will  
17 maintain our high level of service. We are  
18 going to make sure all workers are protected.  
19 If you lost your job, you will still get  
20 unemployment insurance benefits. And if you  
21 are looking for a job, we are still going to  
22 have the resources to help you find it.

23 With your help, the Department of  
24 Labor can continue its legacy of leadership,



1           which is the pride of this great state.

2           Thank you so much, and I would appreciate  
3           your questions.

4                   CHAIRMAN FARRELL:   Thank you.

5                   Questions?

6                   Assemblywoman Jaffee.

7                   ASSEMBLYWOMAN JAFFEE:   There is a  
8           New York Youth Jobs Program.

9                   COMMISSIONER REARDON:   Yes, there is.

10                  ASSEMBLYWOMAN JAFFEE:   Do we have a  
11           sense of how many of our youth actually  
12           participated in the urban youth program since  
13           its inception?

14                  COMMISSIONER REARDON:   I have the  
15           statistics for this past year, and I know  
16           that when we increased it with an extra  
17           \$20 million for young people who are living  
18           outside of urban areas, that the usage of the  
19           tax credit increased 50 percent.

20                  So we know that there is great  
21           interest in this program.   The interest is  
22           growing.   And as more and more employers are  
23           made aware of the benefit, we are sure that  
24           it will continue to help young people find

1 jobs and employers find good new employees.

2 ASSEMBLYWOMAN JAFFEE: That's  
3 certainly -- do we have any numbers in terms  
4 of --

5 COMMISSIONER REARDON: The numbers  
6 are -- let me see. In 2016 we had 20,298  
7 hires under the program. And in 2015, we had  
8 6,808. So it's a really good increase.

9 ASSEMBLYWOMAN JAFFEE: That does.  
10 What type of jobs does the program generate?

11 COMMISSIONER REARDON: It's a variety  
12 of jobs. Some of them are part-time, some of  
13 them are full-time. As you probably know,  
14 there's an additional incentive to retain  
15 them in a second year of employment. There's  
16 another tax benefit for that.

17 It's important to remember that  
18 part-time work is also very valuable. I know  
19 when I began to work, I certainly had a  
20 part-time job, that's where I learned to go  
21 into the workforce. So we make sure that  
22 whatever is available out there -- the main  
23 thing is we want young people to be connected  
24 to work and understand what the world of work

1 is like so they can be successful.

2 ASSEMBLYWOMAN JAFFEE: It's a positive  
3 incentive, certainly. And providing them  
4 with that opportunity and training, it's very  
5 important.

6 Do we have any numbers in terms of how  
7 many of them actually are maintained in that  
8 employment?

9 COMMISSIONER REARDON: I know that we  
10 have statistics -- which I don't have on this  
11 page right now -- of employers who take  
12 advantage of the second-year benefit.

13 But the important thing is --  
14 remember, think back to what it was like when  
15 we all first started working. We often  
16 didn't stay in that first job, but it was the  
17 portal to beginning to make our way into the  
18 world.

19 ASSEMBLYWOMAN JAFFEE: And certainly  
20 very helpful. I hope that we can expand  
21 that. I know they're increasing it this  
22 year, so I'm pleased about that. I think  
23 it's important.

24 COMMISSIONER REARDON: Thank you.

1 ASSEMBLYWOMAN JAFFEE: Am I correct,  
2 from about \$20 million to \$50 million, that  
3 change --

4 COMMISSIONER REARDON: Mm-hmm.

5 ASSEMBLYWOMAN JAFFEE: -- to give them  
6 more opportunity? Is it only in the urban  
7 areas or --

8 COMMISSIONER REARDON: No, the 30  
9 million is for the urban areas, and then  
10 another \$20 million was for anyone anywhere  
11 in the state.

12 ASSEMBLYWOMAN JAFFEE: Okay. Thank  
13 you. Thank you, Commissioner.

14 COMMISSIONER REARDON: Thank you.

15 CHAIRMAN FARRELL: Senator.

16 CHAIRWOMAN YOUNG: Thank you.

17 Welcome, Commissioner.

18 COMMISSIONER REARDON: Thank you.

19 CHAIRWOMAN YOUNG: It's always great  
20 to see you.

21 COMMISSIONER REARDON: It's great to  
22 see you.

23 CHAIRWOMAN YOUNG: I do have several  
24 questions. I'm so happy you're here, because

1           there are several things that we'd like to  
2           ask.

3                   The first one is about a law that was  
4           passed, it was Senate Bill 7967 of 2016,  
5           Chapter 325. It was sponsored by Senator  
6           Martins. And it requires the Department of  
7           Labor to use forward-facing employment data  
8           and labor market information. And in the  
9           past, employment data was by region and it  
10          still was set two years behind.

11                   So how is DOL implementing this  
12          requirement? Because we need to make sure  
13          emerging employment sectors have enough  
14          skilled labor to entice businesses to come  
15          here. So there was an immediate effective  
16          date. I'd like to know where that's at.

17                   COMMISSIONER REARDON: We are working  
18          on implementing it. I believe we are working  
19          with colleges, two-year and four-year  
20          colleges in this process. So it's in the  
21          pipeline, we are rolling it out, but it's not  
22          fully effective yet.

23                   CHAIRWOMAN YOUNG: When do you think  
24          it will be in place?

1                   COMMISSIONER REARDON: I do not know,  
2                   but I can find out for you.

3                   CHAIRWOMAN YOUNG: If you could let us  
4                   know, that would be helpful.

5                   Another question, in the State of the  
6                   State that the Governor gave around the  
7                   state, who is on the Portable Benefits Task  
8                   Force? Because he referenced it. However,  
9                   it's not included in the budget, there's no  
10                  language. And I believe it's for independent  
11                  contractors dealing with Uber, Airbnb, and so  
12                  on. So who is on this task force, and what  
13                  are the plans for that?

14                  COMMISSIONER REARDON: So I am  
15                  actually very pleased to be one of the  
16                  cochairs. Howard Zemsky and I will be  
17                  cochairing it. And we have not assembled the  
18                  task force yet, but I know that we will be  
19                  looking at people from the insurance  
20                  industries, people from advocacy groups and  
21                  labor unions, people from current pension and  
22                  health plans, people who have experience in  
23                  this area.

24                  There are various -- I know that in

1 New York City there's the Black Car Fund,  
2 which is a grouped benefit for drivers in  
3 various parts of that industry.

4 We are already receiving inquiries  
5 from various parts of those communities, and  
6 we are going to have to sit down soon and  
7 talk about who's actually going to -- there  
8 will be people on the task force, and then we  
9 of course will be taking a lot of testimony.  
10 We want to hear across the breadth of this  
11 area what's being done, what's being thought  
12 of.

13 As an actor, I participated in a  
14 multi-employer pension and health fund, very  
15 much like the construction industry has,  
16 because we worked for lots of different  
17 employers and they paid into one fund, and  
18 that's how we got our benefits. That's one  
19 way -- that was of course overseen by my  
20 union. But that's one way to provide these  
21 benefits. It was very significant in my work  
22 as an actor, and newspeople are also part of  
23 my union; they tend to go from employer to  
24 employer. And it was a significant benefit

1 to workers in that area that they didn't have  
2 16 different pension plans or in and out of  
3 insurance plans. It's a great model.

4 But I'm sure there are lots of other  
5 models out there. And as we go into -- in  
6 the gig economy world, it becomes more and  
7 more important to see what we can do to help  
8 people who are caught in that limbo of not  
9 having one employer but working steadily for  
10 many different employers.

11 CHAIRWOMAN YOUNG: So thank you for  
12 that answer.

13 As far as a membership on the Portable  
14 Benefits Task Force, I didn't hear two words  
15 that we're all fond of here, and that's the  
16 Legislature. So would there be  
17 representatives from the Assembly and the  
18 Senate included on the task force?

19 COMMISSIONER REARDON: I haven't had  
20 that conversation. I'm sure we will have  
21 that conversation.

22 CHAIRWOMAN YOUNG: Well, I'm sure that  
23 everyone here would like to be represented  
24 also. So if that could happen, that would be



1 great.

2 I do want to ask too about the Minimum  
3 Wage Task Force. In early January of this  
4 year, the Governor announced a 200-member  
5 task force -- you alluded to it -- dedicated  
6 to enforcing provisions of the new minimum  
7 wage. And you stated that the task force  
8 will only pursue willful and egregious  
9 violations, not violations that are the  
10 result of ignorance or error.

11 So the first question is, who is  
12 staffing the task force? Related to that,  
13 are there new FTEs necessary? And will these  
14 only be employees of the Department of Labor?

15 COMMISSIONER REARDON: So I'm happy to  
16 say that it is a multi-agency effort. The  
17 DOL is of course the driving force, because  
18 our inspectors go out every day and enforce  
19 wage regulations, and they're highly trained  
20 in that area. But we're also working with  
21 the Department of State, with Tax and  
22 Finance, with Worker Comp. We are working  
23 with the DMV. We're putting palm cards and  
24 posters in areas where people normally

1       gather, so that the information is available  
2       across the state in various areas.

3               The people from the other agencies are  
4       being trained in wage issues so that they can  
5       have those conversations, so it's not just  
6       DOL inspectors. We have not hired any new  
7       people to do this. But again, our inspectors  
8       go out every day and do wage inspections.

9               We are also working in a lot of  
10       different ways to ensure that the business  
11       community and workers understand what their  
12       proper rate is. So we're doing advertising,  
13       we're doing a social media barrage. We have  
14       a dedicated page on the New York Gov website.  
15       We have trained our call center people  
16       specifically about minimum wage issues. Tax  
17       and Finance is sending out stuffers in the  
18       envelopes that they mail to their customers  
19       with information about minimum wage.

20               I'm very happy to tell you -- I was  
21       just down in the call center this morning to  
22       talk to them because they have had obviously  
23       an uptick in calls, and they're doing a great  
24       job. And I took them some doughnuts and said

1       thank you and asked them how it was going.  
2       And they said, you know, it's interesting,  
3       for many of the people who call, they already  
4       know what the wage is. They've seen the  
5       advertising, they've read the newspaper  
6       articles, wherever they've gotten their  
7       information. They know my rate should be X,  
8       I'm not sure I'm getting it, what do I do?

9               So that's good. So the workers know.  
10       And a lot of the businesses also know. So I  
11       feel confident that the information is  
12       getting out there. But we are working doing  
13       webinars, we do work with the chambers of  
14       commerce. We will go one-on-one. There is a  
15       place on the DOL website that an employer can  
16       go on and say, I would like to have a  
17       personal session with someone to explain this  
18       wage rule to me, and we will go out and work  
19       with them. It's obviously easier to do if  
20       there's a collective of like-minded employers  
21       that we can reach out to, but we will do  
22       one-on-one counseling if that's what they  
23       like.

24               Our objective is not to harm the

1        employer, our objective is to make sure that  
2        everybody understands what the rights and  
3        responsibilities are and, if there's a  
4        mistake, we -- you know, they make the worker  
5        whole and no harm, no foul. At some point,  
6        you know, maybe in a couple of months when  
7        we're going out, if there's a pattern, a  
8        repeat pattern of underpaying their workers,  
9        or if this employer, frankly, has an  
10       extensive history of underpaying their  
11       employees, then the outcome will probably be  
12       different.

13                But we are really concerned to make  
14       sure that everybody understands the law and  
15       that they have an opportunity to do what's  
16       the right thing.

17                CHAIRWOMAN YOUNG: Thank you. And so  
18       related to that, but switching a little bit,  
19       I wanted to explore employer resources. And  
20       the department has been very focused on  
21       enforcement. And there are questions that we  
22       receive in our offices from employers asking  
23       for assistance in compliance with the myriad  
24       of laws and regulations that are imposed on

1           them daily. As you know, there's a heavy  
2           regulatory burden in New York State on those  
3           who provide jobs.

4                       So do you have a dedicated office for  
5           employers to use as a resource for  
6           compliance?

7                       COMMISSIONER REARDON: One dedicated  
8           office, no. But we do a number of things.  
9           So in labor standards we do have the ability  
10          to have compliance conferences in certain  
11          areas.

12                      Again, we want to make sure that -- we  
13          understand regulations can be confusing,  
14          often for small businesses. Larger  
15          corporations have the wherewithal to  
16          understand it, because they have the lawyers  
17          to interpret it for them. But for a small  
18          business owner, it can be more difficult.  
19          And we certainly make ourselves available.  
20          We understand that for the overwhelming  
21          majority of employers in this state, they  
22          want to do the right thing. They don't want  
23          to run afoul of the law. They're not looking  
24          to cheat their workers. But sometimes it's

1           confusing.

2                       So we don't have one place. We have a  
3           variety of opportunities for people to come  
4           to us or for us to go to them.

5                       One of the things that I have looked  
6           at since I've been here, a little over a  
7           year, I'm very interested in the  
8           outward-facing face of the Department of  
9           Labor. I think we do a lot of really great  
10          work, and probably not enough people know it.  
11          So I'm looking to improve that kind of  
12          communication, because I think -- I believe  
13          the employers really want to do the right  
14          thing, and sometimes they just need to be  
15          able to ask questions.

16                      CHAIRWOMAN YOUNG: Anything that you  
17          can do to be a resource to them, I think that  
18          they would be very appreciative.

19                      I wanted to ask you about the Fast  
20          Food Wage Board order smoothing. And in this  
21          past year's enacted budget, it allowed you,  
22          as commissioner of Labor, to smooth wages for  
23          fast food workers going forward, to keep our  
24          workers on the same minimum wage schedule.

1           As you know, there's a lot of disparity, a  
2           lot of confusion out there.

3                       So that hasn't happened yet. When is  
4           it going to happen?

5                       COMMISSIONER REARDON: So as you know,  
6           the legislation that authorized us to look  
7           into the fast food wage issue was a year and  
8           a half, I believe, before the minimum wage  
9           law was enacted. And that was a separate  
10          wage board. They took 2,000 written  
11          depositions and interviewed multiple hundreds  
12          of people on the issue and reached the  
13          conclusion that this was a multi-billion-  
14          dollar industry that could absorb a higher  
15          wage for their workers.

16                      That said, I know that there's  
17          language that allows us to do smoothing. We  
18          are only five weeks into the minimum wage  
19          rollout. We have virtually no data to look  
20          at. We are going to continue to monitor the  
21          effect not only of the minimum wage, but how  
22          it may intersect with the fast food wage as  
23          well. And we will look at that and study it  
24          as it rolls out. But again, we're barely

1           five weeks into the rollout of the new wage  
2           order.

3                   CHAIRWOMAN YOUNG: Are you planning on  
4           doing the smoothing?

5                   COMMISSIONER REARDON: We have not  
6           made that decision yet. We are going to  
7           continue to look at the data and see what it  
8           tells us.

9                   And I must say that the information  
10          that was gathered for the Fast Food Wage  
11          Board, to this point, that information has  
12          not changed. Should that begin to change,  
13          that would be something for us to consider.

14                   CHAIRWOMAN YOUNG: What will the  
15          impact on the economy be to have separate  
16          minimum wages for employees doing  
17          substantially similar jobs? I mean, that's  
18          why the smoothing was included in the budget  
19          last year. So what's going to happen? I  
20          mean, people are doing the same job and  
21          they've got different wages.

22                   COMMISSIONER REARDON: I think there  
23          are probably many areas in our economy where  
24          people do very similar jobs and earn



1 different amounts of money. It's certainly  
2 happened in my industry. But we will  
3 continue to monitor this and see what the  
4 effects are.

5 I will say that you actually took a  
6 great step in helping us begin to deal with  
7 this -- what is seen by some people as an  
8 inconsistency. Because if we had not managed  
9 to raise the minimum wage, the difference  
10 between the fast food wage and the lower  
11 minimum wage would have been much more stark.  
12 So we are in a period, everybody will get to  
13 15. It depends on what city you're in and  
14 what region you work in, but everyone gets to  
15 15, some sooner than later. It is a smaller  
16 period of time. And I thank you for raising  
17 the minimum wage so we're not struggling with  
18 an even bigger gap.

19 CHAIRWOMAN YOUNG: How are you helping  
20 retailers, convenience stores, places like  
21 that who have fast food businesses within  
22 their business? So, for example, a Subway in  
23 a gas station or a Starbucks in a Target  
24 store. Because again, there's a great parity

1           disparity there. So that's the first  
2           question.

3                     And must all employees of that Target,  
4           for example, be paid minimum wage? Or does a  
5           Starbucks have to have its own security and  
6           cleaning staff because they must make a  
7           different wage? It just, again, seems like a  
8           lot of confusion.

9                     COMMISSIONER REARDON: The wage board  
10          was very clear about the definition of the  
11          fast food board impact, 30 franchisees or  
12          more in the state. And I think the laws are  
13          very clear.

14                    There's always competition for better  
15          jobs. I will tell you, as the commissioner  
16          of Labor, I'm always happy when workers have  
17          more money in their pockets. But, you know,  
18          this again is a short period of time, and  
19          everyone gets to 15.

20                    CHAIRWOMAN YOUNG: Thank you.

21                    I wanted to ask also about the  
22          overtime salary threshold, which you also had  
23          referenced. But until recently, New York's  
24          overtime salary threshold was \$35,100

1           annually statewide. And on December 29th of  
2           2016 -- so not that long ago -- the  
3           department adopted its proposed rule  
4           increasing the threshold beginning on  
5           December 31, 2016.

6                       So during the seven-week public  
7           comment period, how many meetings or hearings  
8           were held with the chambers of commerce,  
9           business organizations, economists, and local  
10          and regional business owners or individual  
11          proprietors, to judge their ability to absorb  
12          an increase in the statewide minimum wage, a  
13          new fast food minimum wage, paid family  
14          leave, and an increase to the overtime salary  
15          threshold?

16                      COMMISSIONER REARDON: I'm not quite  
17          sure I -- so let me answer one thing. The  
18          increase in overtime in New York State is  
19          labor law. It is pegged to the minimum wage  
20          law. There are a number of things that are  
21          increased when the minimum wage goes up;  
22          overtime is one of them. So it's not  
23          anything we did.

24                      CHAIRWOMAN YOUNG: There was a

1           seven-week comment period; correct?

2                   COMMISSIONER REARDON:   Yes.

3                   CHAIRWOMAN YOUNG:   Okay.  The question  
4           is, did you reach out to the employers in  
5           New York State to figure out how they were  
6           able to absorb all these new changes that  
7           were coming down the pike all at once?

8                   COMMISSIONER REARDON:  We did receive  
9           a number of comments during that period.  But  
10          again, remember that that law is a labor law  
11          that we don't have the ability to change.  
12          Unless you do something.

13                  CHAIRWOMAN YOUNG:  What is the current  
14          federal overtime salary threshold?

15                  COMMISSIONER REARDON:  The current  
16          overtime -- the number for federal?

17                  CHAIRWOMAN YOUNG:  The federal  
18          overtime salary threshold.

19                  COMMISSIONER REARDON:  For the federal  
20          number, I don't think I have that number.

21                  CHAIRWOMAN YOUNG:  Okay.  So that  
22          actually is \$23,660 annually.  Do you know  
23          what the large New York City employer, 11 or  
24          more employees, what's the current overtime

1 salary threshold?

2 COMMISSIONER REARDON: Yes, I have it  
3 here. Let me see if I can find it quickly  
4 for you.

5 CHAIRWOMAN YOUNG: That's okay, I do  
6 have it, Commissioner. So it's \$42,900  
7 annually.

8 And the reason I bring this up is that  
9 how can New York reasonably attract  
10 businesses from states subject to the much  
11 lower federal threshold? Because as, again,  
12 you can see, there's an enormous disparity  
13 there between the two -- between the three  
14 thresholds, actually.

15 COMMISSIONER REARDON: The federal  
16 laws in many areas are lesser than a number  
17 of state laws, not just New York State.

18 And again, I would just say that the  
19 overtime law in New York State has been  
20 pegged to the minimum wage labor law for  
21 quite a while.

22 CHAIRWOMAN YOUNG: Okay, thank you.

23 How many nonprofits -- just one more  
24 question -- many of which operate on fixed

1           budgets, are subject to this regulation with  
2           the overtime salary threshold?

3                   COMMISSIONER REARDON:   How many  
4           nonprofits?

5                   CHAIRWOMAN YOUNG:   Right.  Are there  
6           nonprofits, many of which operate on fixed  
7           budgets, subject to this regulation?

8                   COMMISSIONER REARDON:   I don't know  
9           how many there are.  But again, it's a law  
10          that I do not have the ability to  
11          unilaterally change.

12                   CHAIRWOMAN YOUNG:   Okay.  Well, thank  
13          you.

14                   CHAIRMAN FARRELL:   Thank you.

15                   Assemblywoman Titus.

16                   ASSEMBLYWOMAN TITUS:   Good afternoon,  
17          Commissioner.

18                   COMMISSIONER REARDON:   Good afternoon.  
19          It's good to see you.

20                   ASSEMBLYWOMAN TITUS:   Good to see you  
21          also.

22                   I want to thank you, since you've been  
23          commissioner, for taking the time off-session  
24          to sit down and meet with me.  I look forward

1 to our continued partnership as this session  
2 progresses.

3 I want to go now to the Executive  
4 Budget. The Executive has proposed the  
5 creation of a Division of Central  
6 Administrative Hearings which would be headed  
7 by an administrative law judge appointed by  
8 the Governor. This division would be tasked  
9 with the consolidation of administrative  
10 hearings between 18 agencies, in an attempt  
11 to improve efficiency and access.

12 I would like for you to discuss -- how  
13 do you intend to make this work? And like  
14 what agencies in particular will be included  
15 in this proposal? What considerations are  
16 being made to ensure that those judges will  
17 be properly trained in the areas that require  
18 more specialized knowledge? And what type  
19 hearings do you believe can be shared between  
20 agencies? And will this reduce, in fact, the  
21 number of ALJs in the system?

22 COMMISSIONER REARDON: It's a great  
23 question. You know, we have two boards, the  
24 UI Appeals Board and the IBA. At this point,

1           there is no final decision. This thing is  
2           being studied. I don't think it was fully  
3           fleshed out in the budget.

4           The idea is there. No decisions have  
5           been made, and I think the conversations are  
6           just beginning. It is a serious question,  
7           but we have not really engaged in the  
8           drill-down yet. I can get back to you when  
9           that begins, but it hasn't happened yet.

10           ASSEMBLYWOMAN TITUS: Okay. I'm  
11           finished. Thank you.

12           COMMISSIONER REARDON: Thank you.

13           CHAIRMAN FARRELL: Senator?

14           CHAIRWOMAN YOUNG: Senator Savino.

15           SENATOR SAVINO: Thank you.

16           Thank you, Commissioner. Good to see  
17           you, as always.

18           COMMISSIONER REARDON: Good to see  
19           you.

20           SENATOR SAVINO: I want to ask you a  
21           bit about the proposal in the budget on  
22           expanding the Wage Theft Prevention Act. As  
23           you know, it's near and dear to my heart.  
24           And I'm just curious, because I'm somewhat



1           confused. In my reading of it, it looks like  
2           we're going to expand our efforts to pursue  
3           out-of-state LLCs. How will we do that?

4                   COMMISSIONER REARDON: So this is  
5           really an administrative fix. This was  
6           changed a number of years ago for  
7           corporations that were formed out of state.  
8           Remember that this is for a corporation or an  
9           LLC that was formed out-of-state -- Delaware,  
10          whatever -- but they have businessss in  
11          New York. And it allows us to go after --  
12          this would allow us to go after the top  
13          10 members of the LLC. They would be  
14          personally liable for those wages.

15                   We've already done that for  
16          corporations that are formed out of state but  
17          have businesses in New York State. And if we  
18          don't change it, it actually has the effect  
19          of disadvantaging New York LLCs, which is why  
20          I believe it originally was changed for  
21          corporations.

22                   SENATOR SAVINO: But isn't the purpose  
23          of establishing an LLC is to protect your  
24          personal assets from the action of your

1           business entity? Again, I'm not a lawyer, I  
2           don't play one on television --

3                   COMMISSIONER REARDON: Me either.

4                   SENATOR SAVINO: -- but I would  
5           imagine that's what the concept of a limited  
6           liability corporation is.

7                   I mean, I'm all for it if you can find  
8           a way to collect wages that are due to  
9           workers. That's the whole purpose behind the  
10          Wage Theft Prevention Act. I'm just somewhat  
11          confused as to how you're going to accomplish  
12          it. I hope you're successful at it, I just  
13          question how we're going to accomplish it.

14                  But I want to actually talk about the  
15          gig economy issue, the portable benefits  
16          issue, the tech workforce. You and I have  
17          had this discussion. And I have been saying  
18          this for years now, the world of work is  
19          changing. We can pretend that it's not and  
20          do nothing and, you know, abide by the fact  
21          that we have two very distinct definitions in  
22          labor law -- which in most respects is  
23          actually very young. You know, labor law is  
24          not that old. Workers are pretty old, but

1 labor law is not.

2 But we need -- I believe it's time for  
3 us to find a new definition for the workforce  
4 that is neither an employee or an independent  
5 contractor.

6 And so I have a bill that I've been  
7 working on with Assemblymember Morelle, the  
8 Handy bill, it's about the -- but I think we  
9 need to do something bigger. Because this is  
10 not just one sector of the economy, it's not  
11 just the Ubers, it's not just -- you know,  
12 it's the platform economies, the gig  
13 economies, the freelancers.

14 We have a hodgepodge, I think over the  
15 years, of people attempting to solve this  
16 problem, but I think we have an opportunity  
17 to get it right. Work is different now. We  
18 have a new workforce that likes the  
19 flexibility of the independent contractor  
20 model, but yearns for the protection of the  
21 employer-employee model. And I think we have  
22 a responsibility to find what that sweet spot  
23 is and get it right.

24 Because if not, we're going to wind up

1       with working people, you know, going in and  
2       out of this area and winding up at a later  
3       point in their life where they have income  
4       insecurity in their later years and they  
5       can't make it up, and they become dependent  
6       on the state.

7               So I look forward to that. I've had  
8       some discussions with the Executive about  
9       this. And, you know, I agree with Senator  
10      Young, I think the Legislature needs to be  
11      involved in this, because we're going to  
12      write the next, you know, major step in labor  
13      law, I believe right here in New York State,  
14      and I think we need to be part of that.

15             And finally on the closing the gender  
16      pay gap. I will say this as many times as I  
17      can. The best way to close the gender pay  
18      gap is to put more money into daycare.  
19      Because what keeps women in the workforce is  
20      access to quality, affordable childcare.  
21      Gaps in our employment history is what leads  
22      to gaps in our economic reality. Because if  
23      you have to take time off from work, and then  
24      you lose seniority, you lose training, you

1           lose opportunity -- that's what really hurts  
2           us in the long run. It hurts us in our  
3           Social Security, in our retirement. That  
4           will go a long way towards closing the gender  
5           gap a lot faster than doing another study.

6                        So I want to thank you for the work  
7           you're doing, and I certainly look forward to  
8           working with you going forward.

9                        COMMISSIONER REARDON: Thank you.

10                      CHAIRWOMAN YOUNG: Thank you.

11                      CHAIRMAN FARRELL: Shelley Mayer.

12                      ASSEMBLYWOMAN MAYER: Good afternoon,  
13           Commissioner. Thank you.

14                      COMMISSIONER REARDON: Good afternoon.

15                      ASSEMBLYWOMAN MAYER: Questions on the  
16           Wage Theft Act. Do you know how much the  
17           Department of Labor has recovered in 2016  
18           under the Wage Theft Prevention Act?

19                      COMMISSIONER REARDON: We have  
20           collected, in the last three years,  
21           \$110 million. Let me see if I have the 2016  
22           number. It's -- we have been quite  
23           successful, and it's an escalating amount,  
24           which is good. I don't know if I actually

1           have the breakdown for the individual years.

2                   ASSEMBLYWOMAN MAYER:   Maybe you could  
3           get that.   I'd be interested.

4                   COMMISSIONER REARDON:   I will.   I'll  
5           get that for you.

6                   ASSEMBLYWOMAN MAYER:   How much staff  
7           of the department is assigned to work on wage  
8           theft issues?

9                   COMMISSIONER REARDON:   We have the  
10          second-largest number of inspectors in the  
11          country.   These are highly trained, committed  
12          professionals.   We have, I believe, 125  
13          inspectors, and they do an amazing job --

14                   ASSEMBLYWOMAN MAYER:   Not to cut you  
15          off, I just want to clarify.   They inspect on  
16          a variety of labor law violations, not  
17          exclusively wage theft, is that correct?

18                   COMMISSIONER REARDON:   How many of  
19          them exclusively do wage theft?   Let me get  
20          you the number.   I don't know what that is.

21                   ASSEMBLYWOMAN MAYER:   Okay.   And some  
22          number of these enforcement actions go to the  
23          Attorney General, I assume for litigation if  
24          they can't get resolved through the

1 department. It would be helpful if you could  
2 provide the breakdown of the amount that's  
3 recovered through the Attorney General's  
4 actions versus the amount that's recovered  
5 administratively by the department. If you  
6 could give that to me.

7 COMMISSIONER REARDON: Okay.

8 ASSEMBLYWOMAN MAYER: Second is on  
9 this issue of the gender pay gap. And I  
10 concur with Senator Savino about the real  
11 solution, which is increased investment in  
12 childcare.

13 But what do you mean when you say "we  
14 are going to study how to close the gender  
15 wage gap"? Is there a task force?

16 COMMISSIONER REARDON: We are going to  
17 do a study this year. We are committed to  
18 doing that. One of the reasons we need to do  
19 the study is it's different for different  
20 industries and it's different in different  
21 regions. And it just seems that it makes  
22 sense to understand -- dive into those  
23 industries and regions so we can actually  
24 come up with a better formulaation.

1                   You know, when I was a working actor I  
2                   did a lot of commercials, so I auditioned all  
3                   the time, and we all took care of each  
4                   other's children because nobody could afford  
5                   childcare. And you'd go into an audition  
6                   room and there would be three baby buggies  
7                   and one toddler, and they'd go, I'm going in  
8                   next, and everybody would take care of those  
9                   children. We were lucky because we had a  
10                  built-in force of babysitters. That's highly  
11                  unusual out in the workforce. And I have a  
12                  great deal of empathy for men and women who  
13                  struggle everyday to figure out how am I  
14                  going to take care of my family, and how do I  
15                  take care of my family. And it is a huge  
16                  problem.

17                 ASSEMBLYWOMAN MAYER: Right. I just  
18                 wonder, are the details of the study  
19                 available yet, or they will be?

20                 COMMISSIONER REARDON: Oh, they will  
21                 be. We've just started, so it's going to be  
22                 an interesting year.

23                 ASSEMBLYWOMAN MAYER: And my last  
24                 questions are on the Workforce Investment and



1           Opportunity Act. I think in the Executive  
2           proposal the Governor would have 15 percent  
3           of these funds for discretionary use, and I  
4           believe he did last year as well.

5                     Do you know how those discretionary  
6           amounts were allocated?

7                     COMMISSIONER REARDON: I believe last  
8           year there was \$3 million dedicated to middle  
9           skills. And we've actually put that towards  
10          the apprenticeship programs, because that's  
11          actually one way to really develop middle  
12          skills is through apprenticeships -- not just  
13          in construction trades, in many different  
14          industries -- and sort of encourage  
15          businesses and help build those programs.

16                    And this year I think \$5 million of it  
17          goes to the Tech Training Fund. So he's very  
18          -- you know, we're very aware that the  
19          training funds are necessary, particularly  
20          for these new areas.

21                    The apprenticeship program is very  
22          promising. And for those of us who know the  
23          building and construction trades, they have  
24          done a remarkable job at educating their

1 workers. And they're multiyear programs that  
2 are supported by the employers. People have  
3 a job, they're paid a wage, they learn on the  
4 job, they have classroom as well. And at the  
5 end of that period, they have a certificate  
6 and they have a career. And it is a really  
7 remarkable program.

8 We would like to expand that across  
9 industries. We are looking into home  
10 healthcare, IT. There's some advanced  
11 manufacturing, optics. And of course the  
12 tech industry is a great opportunity to  
13 develop apprenticeships. So we are using  
14 some of these funds to help workers and their  
15 employers figure out how to do that.

16 They have to have -- when you  
17 establish an apprenticeship, you're saying to  
18 these apprentices, You have a job now, you'll  
19 be working in this job, but at the end of  
20 your work, when you get the certificate, you  
21 will also have a job out there waiting. Now,  
22 the worst thing you can do is put someone  
23 through an apprenticeship when there's no job  
24 at the end of it. So we understand that.

1                   And it's also -- there's related  
2                   instruction, which they go to classrooms and  
3                   they learn the skills that they need to do  
4                   the work. It is a marvelous way to educate  
5                   people for a career.

6                   ASSEMBLYWOMAN MAYER: I think you  
7                   would find that there's a joint commitment by  
8                   many in the Legislature to expanding  
9                   apprenticeship programs, particularly as they  
10                  continue to reflect the diversity of the  
11                  communities we serve, and as a pathway to a  
12                  middle-class job. And I would just encourage  
13                  the department to think of that as a  
14                  collaborative effort rather than the  
15                  Governor's discretionary judgment.

16                  COMMISSIONER REARDON: I would love to  
17                  think of it that way. And, you know, as you  
18                  know, it's an opportunity -- and again, the  
19                  building trades have been excellent at this  
20                  recently. The diversity that they have in  
21                  their apprenticeship programs is remarkable.  
22                  And it's a way to give opportunity to young  
23                  people who might not think that that's a job  
24                  that they could even do.

1                   ASSEMBLYWOMAN MAYER: Right. Thank  
2                   you very much.

3                   COMMISSIONER REARDON: Thank you.

4                   CHAIRMAN FARRELL: Thank you.  
5                   Senator?

6                   CHAIRWOMAN YOUNG: Thank you.  
7                   Senator Montgomery is next.

8                   SENATOR MONTGOMERY: Thank you.  
9                   Thank you. Good afternoon.

10                  COMMISSIONER REARDON: Good afternoon.

11                  SENATOR MONTGOMERY: Commissioner,  
12                  thank you so much for being here and  
13                  answering our questions.

14                  I'm going to just try to stick to the  
15                  one sector, although there's many questions  
16                  that I could ask about your presentation.  
17                  But I want to just talk about what happens to  
18                  young people.

19                  So, you know, there's a lot of talking  
20                  this session and in times past about what do  
21                  we do with 16- and 17- and 18- and  
22                  21-year-olds. And I've talked to a lot of  
23                  young people in that age category in  
24                  particular, and some a little bit younger,

1           and one of the big issues for them is work.  
2           They don't have access to jobs, they are not  
3           trained, they have no skills, and so it sort  
4           of compounds the problem for them.

5                       So now I notice in the Governor's  
6           proposal and your presentation you talk about  
7           something that is referred to as the Urban  
8           Youth Employment program, tax credit program.  
9           And it targets private corporations,  
10          apparently, that hire at-risk youth.

11                     And there's an identification of 13  
12          areas where you have targeted for an  
13          expenditure of \$50 million in tax credits.  
14          And it sounds like you are looking to renew  
15          that program.

16                     COMMISSIONER REARDON:   Yes.

17                     SENATOR MONTGOMERY:   And of course in  
18          the process you have changed the name of it  
19          from Urban Youth to New York State Youth  
20          Employment.

21                     So that then appears from this going  
22          forward as New York State is investing  
23          \$50 million in youth employment programs.  
24          However, I have asked, over the years, What

1           are the corporations that actually are  
2           participating, and how many youth? Because  
3           I'd like to see how many of my young people  
4           are actually able to participate in that  
5           program.

6                     And where have you the largest  
7           investments? I notice you have most of the  
8           Big 5, so to speak, and then some others as  
9           well. But what percent of the funding  
10          actually goes to the areas where there's the  
11          highest need, largest number of young people,  
12          and so forth and so on?

13                    So I would really like very much to  
14          hear what exactly are we getting in the form  
15          of youth employment, numbers of young people,  
16          and which corporations are actively  
17          participating based on this \$50 million that  
18          we've been spending for the last few years  
19          and, going forward, expected to spend for the  
20          next five years at least.

21                    COMMISSIONER REARDON: Thank you.

22                    So I can get you some specific  
23          breakdowns. I don't have them in the book  
24          right now.

1           As I said earlier, the youth tax  
2           credit is expanding. We have expanded it  
3           last year -- we didn't, you did -- expanded  
4           from urban youth to \$20 million for youth  
5           anywhere in the state, and we've seen the  
6           uptick. It is a really good improvement, so  
7           we're very pleased with that. I can get you  
8           some specifics.

9           But there's another thing that -- we  
10          do a lot of work with young people. We are  
11          very painfully aware of the unemployment in  
12          young people, both urban and rural. And it  
13          is a significant problem.

14          So our career centers around the state  
15          are equipped to work with young people,  
16          whether they have a degree or not. If they  
17          don't have a degree, we can help them get a  
18          GED or whatever they need. If they have a  
19          degree but they need training, we can assess  
20          what their skills are, what their needs are,  
21          what their interests are. And we also assess  
22          what the businesses are in that area. Who  
23          are they looking for? You know, what kinds  
24          of skills do they need? And we try to match

1 the young people with the jobs.

2 We have the Strike Force, which was  
3 started in the Bronx in 2014, where we  
4 understood that there was very deep poverty  
5 in the Bronx and a lot of it, frankly, was  
6 young people. And we went into the Bronx and  
7 we did a very focused way of working with the  
8 population in the Bronx. We worked  
9 intensively with individuals to do that  
10 assessment, but really drill down and see  
11 what did they need. We also worked with the  
12 businesses and did a map of what kinds of  
13 jobs were available in the Bronx. And then  
14 we began to match them up.

15 That was a very successful effort, and  
16 the unemployment in the Bronx came down  
17 significantly. Then we expanded it to the  
18 counties with the highest poverty. Again,  
19 the same approach. It is a successful  
20 approach. Last year, in May, we did the  
21 Western New York Strike Force, where we did a  
22 slightly different approach. So Western  
23 New York's economy is beginning to come up  
24 again, and unemployment numbers are falling.



1 But we knew that there were zip codes with  
2 very deep poverty, so we focused on those zip  
3 codes.

4 We have five out-stationed centers  
5 outside of our career centers. They are in  
6 the communities. We're working very closely  
7 with the faith leaders in the communities,  
8 because they have very tight relationships  
9 with the communities. They are helping bring  
10 people to us who may -- you know, there are  
11 people who won't think to come into a career  
12 center because they think, I don't have any  
13 hope. Or they think, That's just for people  
14 on unemployment, and I'm not on unemployment  
15 anymore.

16 We are there for every worker in the  
17 state who wants help, at whatever age, at  
18 whatever level. And we have worked very  
19 hard -- I just spoke to my deputy  
20 commissioner for workforce development before  
21 I came in, and she said, looking at the  
22 strike force numbers -- keeping Western  
23 New York aside, because that's a brand-new  
24 program -- but for the rest of them, we had

1           75 percent placement of people who came  
2           through the program and completed the  
3           process. It is a very, very powerful tool.

4                   And I want to assure you that we learn  
5           every day from what we do. You know, the  
6           strike force in Western New York is a  
7           different approach. It's a zip code  
8           approach. It's out-stationing. It's working  
9           with community leaders to get people in.  
10          It's successful. We're going to be able to  
11          take that program and replicate it.

12                   At the end of the day -- not the end  
13          of the day, at the beginning of the day -- we  
14          want New Yorkers to succeed, we want them to  
15          thrive. We want them to be able to feed  
16          their families and have comfort in their  
17          homes and success on the job. And they  
18          should never be held back by where they live,  
19          the circumstances of their family, the color  
20          of the skin or the people they love. We  
21          think that everybody needs that opportunity,  
22          because New York can't thrive if the citizens  
23          don't thrive.

24                   SENATOR MONTGOMERY: Yes, thank you

1           for that.

2                   And listen, I have the Brooklyn Navy  
3           Yard, and I also have Southwest Brooklyn  
4           Industrial Park and all in between. And so I  
5           would like to know if the businesses in those  
6           particular areas are able to and are in fact  
7           participating. And if that's the case, what  
8           do we need to do to help them to do more, to  
9           reach out to more young people? Because when  
10          we talk about workforce development and  
11          developing workers with skills that will have  
12          careers in the future, those are the kinds of  
13          places that we certainly hopefully want to  
14          focus on. So I'm very --

15                   COMMISSIONER REARDON: I can get you  
16          some information. I must say the Brooklyn  
17          Navy Yard is an amazing place.

18                   SENATOR MONTGOMERY: It is amazing.

19                   COMMISSIONER REARDON: There are  
20          wonderful innovative industries there --

21                   SENATOR MONTGOMERY: Absolutely.

22                   COMMISSIONER REARDON: -- and they do  
23          work with the community.

24                   SENATOR MONTGOMERY: And therein is an

1           excellent opportunity for us to do a lot of  
2           this.

3                       Lastly, let me just say what about the  
4           possibility, through your agency, of doing  
5           something like creating a larger expanded  
6           opportunity in the cultural institution  
7           community for internships, fellowships, and  
8           what have you as also a part of your intent  
9           to create jobs and opportunities for young  
10          people in this category?

11                      COMMISSIONER REARDON:  So, you know, I  
12          come out of the arts and entertainment  
13          sector.  I'm very familiar with it.  And I  
14          have often thought that apprenticeships are  
15          actually a unique way for people in that  
16          industry to get training.

17                      And I'm having conversations with some  
18          people in the industry -- very early days,  
19          not ready to have any public conversations --  
20          but there's definitely some interest there.  
21          I know that there are two high schools I  
22          believe in New York City that focus on the  
23          industry, there's the Ghetto School in the  
24          Bronx, and then there's another school I

1 think in Long Island City, next to one of the  
2 studios, and they focus on training  
3 inner-city youth for that industry.

4 The tax and film credit has really --  
5 it's a booming industry across the state, and  
6 they need more workers. So that's a great  
7 opportunity to make sure that everybody has  
8 an opportunity.

9 When I did some teaching -- you know,  
10 all actors teach, and I did some teaching at  
11 one point, and you always work with young  
12 people. And I used to say to them acting is  
13 the door you walk through to this industry,  
14 because it's the door you know. But once  
15 you're through it, you need to pay attention,  
16 because it's a huge and varied industry and  
17 you can find wonderful careers that are not  
18 necessarily the person in front of the  
19 camera.

20 SENATOR MONTGOMERY: So the museums  
21 and all of those cultural --

22 COMMISSIONER REARDON: Yes, music  
23 and --

24 SENATOR MONTGOMERY: -- they do a lot

11 COMMISSIONER REARDON: I agree.

18 COMMISSIONER REARDON: Thank you very  
19 much.

21 Assemblyman Bronson.

24 COMMISSIONER REARDON: Good afternoon.

1                   ASSEMBLYMAN BRONSON: Very nice seeing  
2                   you.

3                   COMMISSIONER REARDON: Thank you.

4                   ASSEMBLYMAN BRONSON: So I'm just going  
5                   to chime in on a couple of things that some  
6                   of my colleagues said and make a similar  
7                   request.

8                   First of all, on the numbers of  
9                   inspectors in connection with the wage theft,  
10                  if you could also supply to us the number of  
11                  inspectors in connection with enforcing  
12                  prevailing wage as well, so that --

13                  COMMISSIONER REARDON: So the public  
14                  work and the -- yes.

15                  ASSEMBLYMAN BRONSON: And I would ask,  
16                  in that area, if you would also make it --  
17                  well, for all of them, if you could do it  
18                  geographically, so we know where these folks  
19                  are going out.

20                  COMMISSIONER REARDON: Absolutely.

21                  ASSEMBLYMAN BRONSON: Second, the  
22                  Portable Benefits Task Force, I would concur  
23                  with Senator Young in that we should have  
24                  legislative representation on that task

1 force, and ask for you and the others to  
2 consider that representation.

3 And then the third that has been  
4 brought up regarding -- we have a workforce  
5 that's in transition. And as I believe  
6 Senator Savino indicated, people don't  
7 clearly fit in under the employee category or  
8 the independent contractor category. And we  
9 know that different agencies have different  
10 standards for determining that. And so we  
11 really do need to do some work on -- and  
12 that's kind of tied in with the benefits area  
13 as well.

14 So on that, I'm going to turn to  
15 workforce development. And in particular,  
16 the New York Youth Works tax credit, which is  
17 called, once again -- that's what it was  
18 called back in 2012. It went to Urban Youth.  
19 I presume the changes related to the  
20 expansion to all of the State of New York.

21 But do you have any numbers or  
22 statistics on the age breakdown of the youth  
23 who have been employed under that program?

24 COMMISSIONER REARDON: I'm sure we do.



1 I don't have it right here. You know, it's a  
2 pretty narrow -- it's 16 to 24. We assume  
3 that if they're going to be employed  
4 full-time, it's 18 to 24. We don't want to  
5 encourage 16-year-olds to drop out of school.  
6 But I can find that information for you.

7 ASSEMBLYMAN BRONSON: If you could  
8 find that out, along with the average length  
9 of time and how many jobs are seasonal, that  
10 kind of information.

11 And as I understand, under this  
12 program the Department of Labor is required  
13 to issue a certificate of eligibility for  
14 employers on this. So I would presume in  
15 your review of that you're looking -- and  
16 then you have to say how much of a tax  
17 credit, and that gets sent over to the  
18 Department of Taxation. So I presume, under  
19 that, we could get more specific data.

20 But also under the statute it requires  
21 an annual report from the Department of  
22 Labor. And as I can tell, I don't believe  
23 that annual report has been done. It  
24 certainly hasn't been accessible to the

1 public. Can you let me know where we stand  
2 on that?

3 COMMISSIONER REARDON: Sure. So I'm  
4 here a little over a year, and so I'm not  
5 sure that I've seen the annual report,  
6 because it may have been done before I got  
7 here. But I will find out for you.

8 ASSEMBLYMAN BRONSON: Yeah, that's  
9 vitally important, because it really gets  
10 into whether or not this is a successful  
11 program.

12 But we do have some information from  
13 the Department of Taxation that I think  
14 challenges whether or not this program is  
15 being successful as it's adopted. And the  
16 Department of Taxation indicates that -- and  
17 by the way, there's a three-year delay in  
18 getting information from the Department of  
19 Taxation, just because of the way the tax  
20 credits can be utilized. But in 2012, of  
21 the, at that point, the amount allotted, only  
22 \$2.3 million was taken advantage of by  
23 employers for this program.

24 2013 -- we have numbers for that year

1           too -- 700,000. That's it. So we're looking  
2           at numbers -- we don't have 2014, we don't  
3           have 2015. 2016, for some reason, the  
4           Department of Taxation is estimating  
5           \$20 million, yet I don't see where that's  
6           historically based. Can you explain that at  
7           all?

8                       COMMISSIONER REARDON: As I understand  
9           it, it is the phenomenon of people qualifying  
10          for the tax credit and then not putting it on  
11          their taxes. That's part of it.

12                      So we overcommit, because people  
13          want -- you know, they put in their paperwork  
14          but for some reason they don't do it at the  
15          end.

16                      My guess is, and this is strictly a  
17          guess, if you have a large corporation,  
18          you've got tax accountants doing it and they  
19          know exactly what it's all about. If you're  
20          a smaller industry, you may not be as  
21          sophisticated, so they're not putting in for  
22          it.

23                      But there is a lot of commitment.

24                      ASSEMBLYMAN BRONSON: All right.

1 Well, I may be missing that, because the  
2 Department of Taxation's report actually does  
3 have an estimate of the credit claimed and  
4 the credit used, and for the 2012 number the  
5 difference there was \$1.3 million versus  
6 \$1.2 million. So we're not talking a lot of  
7 money there. I'm not sure. We should  
8 investigate that.

9 One way we could investigate it,  
10 though, is if we could get our hands on the  
11 annual reports so we know how many employers  
12 are being certified as eligible under the  
13 program.

14 That being said, there's also another  
15 issue I think we should look at when we're  
16 looking at this. Because ultimately the idea  
17 here is to get our young people employed,  
18 right?

19 COMMISSIONER REARDON: Right.

20 ASSEMBLYMAN BRONSON: And so in looking  
21 at that, Young Invincibles did a survey at  
22 the end of last year and really found that  
23 most of the employers didn't feel that a  
24 small tax credit was sufficient enough to

1           impact their decision whether or not to hire  
2           or to retain young employees. And instead  
3           they said having a skilled workforce and  
4           folks who are willing to dedicate themselves  
5           was a more important or significant  
6           indicator, if you will.

7                     So now I'm going to turn to a topic  
8           that you know I love, which is the Empire  
9           State Apprenticeship Program, which is a bill  
10          I carry. We negotiated it in the budget, it  
11          didn't survive the budget last year. But the  
12          benefit of that program is it has progressive  
13          increases in tax credit if a person who is  
14          employed is employed as an apprenticeship and  
15          they're actually graduating through the  
16          apprenticeship program.

17                    And some of my colleagues mentioned  
18          hard-to-place youth or people who are trying  
19          to work out of poverty. The other benefit of  
20          this program is there is an enhanced tax  
21          credit if you also have a mentoring program  
22          that will help that employee be successful  
23          through the apprenticeship program.

24                    So what I'm going to ask you to think

1           about, and ask the administration to think  
2           about, is since we have a situation where  
3           we're not utilizing all of the tax credit  
4           under the now New York Youth Tax Credit  
5           Program, and we have some indication that  
6           employers are more interested in having an  
7           ability to train a skilled workforce, might  
8           it not be a good opportunity for us to use  
9           some of those tax credit dollars and try to  
10          encourage and incentivize employers to hire  
11          young people as apprenticeship.

12                 COMMISSIONER REARDON: It's an  
13          interesting suggestion. I will certainly  
14          look into it. Thank you. You know, I love  
15          apprenticeships too. We're together on this.

16                 ASSEMBLYMAN BRONSON: I know we are. I  
17          know we are.

18                 ASSEMBLYMAN OAKS: We're out of time.

19                 ASSEMBLYMAN BRONSON: Okay. Thank you  
20          very much.

21                 Thank you, Mr. Chair.

22                 CHAIRWOMAN YOUNG: Thank you.

23                 Senator Persaud.

24                 SENATOR PERSAUD: Thank you,

1 Commissioner.

2 I just have a couple of questions for  
3 you. The first is to do with -- I'm  
4 continuing in the vein of the Urban Youth  
5 project, the credit. Do you have any  
6 evidence as to how many youth have become  
7 advanced in their lot in life after going  
8 through this program?

9 COMMISSIONER REARDON: That would be a  
10 difficult thing to measure because that's a  
11 pretty broad measurement. We do know --

12 SENATOR PERSAUD: Well, basically --

13 COMMISSIONER REARDON: We do know that  
14 young people -- oh, okay, sorry.

15 SENATOR PERSAUD: -- they move from  
16 where they were, really at the poverty level,  
17 to higher.

18 COMMISSIONER REARDON: We do know that  
19 across the board when young people are  
20 exposed to work, whether it's part-time or  
21 full-time, that it actually puts them on a  
22 better course. And there is a fair amount of  
23 study that says if young people are involved,  
24 even in the Summer Youth Works program while

1       they're in high school, that their  
2       advancement through life is better. The  
3       earlier we can connect young people to  
4       training and to jobs, even a part-time job,  
5       the more likely it is that they will succeed  
6       in later life.

7               That is some of the thinking behind  
8       the tax credit program, because it encourages  
9       employers to hire them. It may not be the  
10      job they hold forever. It probably won't be.  
11      I certainly didn't stay where I started out.  
12      But it does give them the experience of  
13      getting up and going to work, of having to  
14      perform tasks for somebody else, of having  
15      some money in their pocket that they earned.  
16      It is a self-respect measure as well.

17             And so anything we can do to help put  
18      young people on that path I think is very  
19      impactful. The Summer Youth Program itself  
20      is a great, great program for young people  
21      because, again, it gives them a structured  
22      environment, work to report to, self-respect,  
23      working in a community of other people --  
24      very few people work alone -- and it sets you



1 up on a good path for life.

2 So I think that the -- although I  
3 don't have the data that you're asking for, I  
4 think the larger data says that when you  
5 connect young people to work, they have a  
6 better prospect.

7 SENATOR PERSAUD: Do you have any data  
8 as to after the tax period for the company,  
9 that these youth remain employed? And for  
10 how long do they remain employed?

11 COMMISSIONER REARDON: Chances are,  
12 for some of them, they do not stay in that  
13 job because they're young. And so they may  
14 get a job at local retail store, which helps  
15 them understand what that's all about. When  
16 they go to get their next job, they've got a  
17 resume and they've got some skills and  
18 they've got some information to give that  
19 employer, and that's very valuable.

20 One of the things we do at the Career  
21 Center when people come in -- so let's say a  
22 young person comes in and they've been hired  
23 under the tax credit and they worked for a  
24 year for a local retailer, and they come into

1           the Career Center and say, Now what do I do?  
2           Our career center person -- and it's a  
3           one-on-one experience -- will sit down and  
4           look at what exactly did they do on the job,  
5           what can we list on a resume, do you have any  
6           recommendations from your employer? What  
7           were your experiences? What else are you  
8           interested in? Do you want to stay in the  
9           area or do you want to move? And do you need  
10          more training? Do you have your high school  
11          diploma? Is there some kind of certificate  
12          program that would help you advance? And,  
13          interestingly, do you know what the world of  
14          work offers you?

15                 We have Career Zone, which is an  
16          online program at the Career Centers, and  
17          young people -- anybody, but mostly young  
18          people -- go on, and it has descriptions of  
19          jobs and half of them have videos to show  
20          this is what you do when you work in a clean  
21          room in advanced manufacturing, this is what  
22          you do when you work in a pharmacy, this is  
23          what you do when you work on a construction  
24          site.

1           So they get an idea of the job, it  
2           tells them what kind of training they have to  
3           have, what -- the expectation that you might  
4           have to pay for that training in some  
5           circumstances. It will tell you what the  
6           salary ranges are. And are those jobs  
7           available in the area they're in, or will  
8           they have to move. It is an incredible tool  
9           that I only wish every high school student in  
10          New York State used, because I think often  
11          young people don't know how to make those --

12                 SENATOR PERSAUD: Maybe we should ask  
13          the Department of Education to include it.

14                 A question for you. I haven't heard  
15          you speak to anything on the Youth Build  
16          Program. Can you give us some updates on  
17          Youth Build? Are we putting additional money  
18          in there? What are we doing with the Youth  
19          Build?

20                 COMMISSIONER REARDON: I'm sorry,  
21          which is the program?

22                 SENATOR PERSAUD: Youth Build.

23                 COMMISSIONER REARDON: Youth Build? I  
24          don't think I know it by that name. I might

1 know it by another name.

2 SENATOR PERSAUD: It's the program  
3 where kids who have to go through the court  
4 system, they're given an alternative program  
5 and they're taught, you know, sciences and  
6 jobs.

7 COMMISSIONER REARDON: Would this --  
8 it might be more of an Education problem, not  
9 a Department of Labor program.

10 SENATOR PERSAUD: In the Department of  
11 Labor and the Department of Education. You  
12 collaborate on the program.

13 COMMISSIONER REARDON: I'm sorry, I  
14 don't know about it. I'll have to find out.

15 SENATOR PERSAUD: Yeah. Because we  
16 just need to know how is the funding on it.  
17 And, you know, is there continued funding,  
18 and are there any additions to the program.

19 COMMISSIONER REARDON: I'll find out.

20 SENATOR PERSAUD: And finally, there's  
21 a program that was zeroed out that's -- OTDA  
22 covers it. It's the ATTAIN program. And I  
23 see that you have something that's called the  
24 Tech Workforce Task Force. Can you give us

1           some information on that?

2                   COMMISSIONER REARDON:  So it's  
3           brand-new.  It's in this year's State of the  
4           State.  And the Tech Workforce Task Force is  
5           going to look at what are the basic -- what's  
6           the baseline that young people need if they  
7           want to go into the high-tech sector.

8                   So I wish I had my cellphone with me;  
9           I used to pick it up and go, "This changed  
10          everything."  And it did.

11                   So we are living in a world that's  
12          very connected with digital technology, and  
13          there is a wealth of work out there.  People  
14          often talk about the high-tech sector like  
15          it's one sector.  It's everything.  Everybody  
16          has high-tech in their industry.

17                   But what do young people need to do at  
18          the elementary school level, at the middle  
19          school level, at the high school level, in  
20          order to be ready to go into that industry?  
21          And what's the specialized training that  
22          they're going to need?  Once they graduate  
23          from high school, where do they go?  It might  
24          be a four-year college program.  There are a

1           lot of them. But it might also be a two-year  
2           certificate program. We want to find out  
3           what those needs are so that we can help  
4           prepare our citizens for that work, because  
5           that is the work of the future.

6                     SENATOR PERSAUD: And are you working  
7           with SUNY to cultivate the --

8                     COMMISSIONER REARDON: We will be  
9           working, I'm sure, with everybody in the  
10          sector. I mean, it's brand-new. It was just  
11          announced in the State of the State, so we're  
12          just putting our shoes on. But I'm sure that  
13          we are going to be working across the  
14          spectrum with everybody in that area, because  
15          it's exciting and it's what people want to  
16          do. And, you know, in entertainment you can  
17          be a CGI illustrator; in medicine, you can do  
18          robotic operations. It's not just computer  
19          keyboards.

20                    SENATOR PERSAUD: In technology now,  
21          every kid wants to make an app, to create an  
22          app.

23                    COMMISSIONER REARDON: Yes. And they  
24          should.

1                   SENATOR PERSAUD: Thank you very much.

2                   COMMISSIONER REARDON: Thank you.

3                   CHAIRWOMAN YOUNG: Thank you.

4                   ASSEMBLYMAN OAKS: Assemblywoman

5                   Lupardo.

6                   ASSEMBLYWOMAN LUPARDO: Thank you very

7                   much.

8                   Hello.

9                   COMMISSIONER REARDON: Hello.

10                  ASSEMBLYWOMAN LUPARDO: Nice to see

11                  you.

12                  COMMISSIONER REARDON: Good to see

13                  you.

14                  ASSEMBLYWOMAN LUPARDO: I want to talk

15                  about the retirement cliff. So we're hearing

16                  a lot about the number of people who are

17                  leaving the workforce. And that's why your

18                  focus on young people and workforce

19                  development is so appreciated. But I'm also

20                  interested in the retirement cliff for the

21                  people who are retiring.

22                  So I understand at one time there was

23                  a Mature Worker Task Force or a focus on

24                  those mature workers who want to stay

1 vibrant, want to stay active, perhaps as  
2 mentors, perhaps as new entrepreneurs,  
3 because I understand that they're very active  
4 in creating new companies -- probably more  
5 than any other sector, it turns out. And  
6 they also want to basically be a part of  
7 their community for as long as possible.

8 So I was curious if the Department of  
9 Labor has any initiatives or interest in  
10 working with us on that particular topic.

11 COMMISSIONER REARDON: That is a very  
12 good question.

13 We all know the baby boomers are aging  
14 and starting to retire. And many of the baby  
15 boomers I know have no interest in retiring,  
16 or at least fully retiring. So there is a  
17 wealth of highly skilled people, very  
18 connected people. We're not -- you know, 70  
19 is not the 70 it was 30 years ago. People --

20 ASSEMBLYWOMAN LUPARDO: It's the new  
21 50.

22 COMMISSIONER REARDON: -- age  
23 different. Yes.

24 So it's a great resource that frankly



1 is underused. I have had some conversations  
2 at the DOL about it. It's something that I  
3 want to continue to look into. You know, age  
4 discrimination for people -- the terrible  
5 thing is if you lose your job in your  
6 mid-fifties, you're probably never going to  
7 have the chance -- you're rarely going to  
8 have a chance to replace it with a similar  
9 job, and that's just wrong.

10 But we need to look at -- we talk a  
11 lot about how do we help young people, and we  
12 should talk about that. But we should also  
13 pay attention to the rest of our communities,  
14 because people have a lot to offer. Age is  
15 just a number.

16 ASSEMBLYWOMAN LUPARDO: Okay. Let's  
17 work on that together, then, shall we?

18 Thanks. I'm good.

19 ASSEMBLYMAN OAKS: Senator?

20 CHAIRWOMAN YOUNG: Senator Comrie.

21 SENATOR COMRIE: Thank you, Madam  
22 Chair.

23 Good afternoon, Commissioner. I  
24 wanted to ask you about the workforce

1           initiative and what is being done to linking  
2           the workforce initiative with the  
3           opportunities at the airports. Can you  
4           describe for me what is being done to ensure  
5           that there -- with the expansion of JFK and  
6           LaGuardia, what is being done specifically to  
7           link and create opportunities to bring people  
8           there?

9                   COMMISSIONER REARDON: To those jobs.

10                   So there's a very thoughtful  
11           program -- we are the first state in the  
12           nation to have a state-sponsored  
13           preapprenticeship program. That was in last  
14           year's budget, I believe. And we have named  
15           six training providers for that  
16           preapprenticeship program.

17                   And the idea is that young people at  
18           risk will be put into these preapprenticeship  
19           programs, where they receive the kind of  
20           training -- often they have educational  
21           deficits for the work that they want to do.  
22           So math, reading, whatever it is, they come  
23           up to skill level, as well as some basic  
24           skilling. And they are able, in the

1        preapprenticeship program, to preview all of  
2        the various trades that are available in  
3        apprenticeship programs.

4                When they graduate from the  
5        preapprenticeship program, they go into --  
6        they have a direct entry into an  
7        apprenticeship program where they have that  
8        wonderful opportunity to have a job, make a  
9        living, and learn at the same time.

10               And they will be placed on work sites  
11        at those places. So JFK, LaGuardia,  
12        Penn-Farley, Javits. We are going to be  
13        placing those young people in those jobs so  
14        that they have access to that work. It's a  
15        really great opportunity to use the resources  
16        of the state and help young people at the  
17        same time.

18               SENATOR COMRIE: And do you have any  
19        numbers on how many people have gone through  
20        the apprenticeship program for JFK or  
21        LaGuardia?

22               COMMISSIONER REARDON: We just started  
23        the preapprenticeship program, so there's  
24        nobody -- nobody has graduated from it yet.

1 But of course these buildouts are years long,  
2 so there will be a significant number of  
3 people. There may be a number of -- the  
4 number 800 sticks in my mind, but I'm not  
5 sure if that's right -- proposed into this.

6 SENATOR COMRIE: Right. Do you have  
7 the location in Queens that it's being done,  
8 or is it being done at your existing  
9 workforce centers?

10 COMMISSIONER REARDON: The people who  
11 are working now at the airports, that's --

12 SENATOR COMRIE: No, where do you plan  
13 on doing these training apprenticeship  
14 programs?

15 COMMISSIONER REARDON: The  
16 preapprenticeships, we've just granted the  
17 six training providers. I assume they're  
18 downstate because the work is downstate. And  
19 then the apprenticeship programs for the  
20 various unions are located down there as  
21 well.

22 SENATOR COMRIE: Okay. Also, as you  
23 know, there's still a lot of problems with  
24 the issue of minimum wage being provided by

1 subcontractors at the airport, and we still  
2 have regular demonstrations from the labor  
3 unions that it hasn't trickled down yet.

4 Can you let us know what the  
5 Department of Labor has done in monitoring  
6 that, or if there's any enforcement from your  
7 agency regarding the fact that people at the  
8 airports, despite an agreement with the  
9 Governor, are still not getting paid proper  
10 wages?

11 COMMISSIONER REARDON: If they're not  
12 being paid their proper wage and they have  
13 lodged a complaint, we will absolutely  
14 investigate it. And I know we have been out  
15 at the airports. But absolutely, if a worker  
16 feels that they've been cheated of their  
17 wage, all they have to do is call the contact  
18 center and give them their information, and  
19 the case will be handed over to our  
20 inspectors and we inspect it. Because we  
21 take that very seriously.

22 SENATOR COMRIE: But you don't have  
23 any specific inspections that you've done out  
24 at the airport recently?

1                   COMMISSIONER REARDON: Oh, I'm sure we  
2                   do them on an ongoing basis if there's a  
3                   problem.

4                   SENATOR COMRIE: Okay, great.

5                   And then just finally, you've  
6                   mentioned the Excelsior program in your  
7                   testimony. Do you have any details on how  
8                   the Excelsior Scholarship Program for -- the  
9                   tuition-free idea from the Governor, is going  
10                  to help you in the Department of Labor? And  
11                  how would that be exemplified? Have you spoke  
12                  about it regarding middle-skill workers?

13                 COMMISSIONER REARDON: It actually  
14                 offers us a great opportunity. So  
15                 middle-skills workers are people with more  
16                 than a high school diploma and less than a  
17                 four-year college degree. And the Excelsior  
18                 scholarship offers free tuition to  
19                 middle-class families in the State of  
20                 New York at SUNY and CUNY, and that includes  
21                 the two-year colleges. So they'll have the  
22                 opportunity to go to school, get their degree  
23                 without crushing student debt, which we all  
24                 realize is just off the charts. We need

1           those skilled workers. So the Excelsior  
2           Scholarship Program really enables young  
3           young people across the spectrum, across the  
4           state -- you don't have to live in New York  
5           City, you can live anywhere. And in fact I  
6           think the overwhelming majority of families  
7           that will really benefit from this actually  
8           live upstate.

9                     But it's a wonderful opportunity for  
10           young people to get an education, have a  
11           career path, and not be burdened with  
12           \$20,000, \$30,000, \$40,000, \$50,000 of debt.

13                    SENATOR COMRIE: So you're going to be  
14           advocating for middle-skilled workers that  
15           are in two-year programs to get the Excelsior  
16           program? Because my understanding, it was  
17           geared for four-year graduation. So I would  
18           hope that you are advocating for two-year  
19           opportunities for especially community  
20           colleges to take advantage of the program,  
21           because I find that most of the people that  
22           are in need are people that are working  
23           parents or working adults that are trying to  
24           get a leg up. So I hope that is something

1           that is done as well, so that those part-time  
2           students can be able to take advantage of the  
3           scholarship so --

4                   COMMISSIONER REARDON:  It's a great  
5           opportunity.

6                   SENATOR COMRIE:  -- it would truly be  
7           an opportunity for all students, and not just  
8           these students that are already excelling and  
9           could get scholarships anywhere else to do  
10          any other endeavor.

11                   Thank you.

12                   COMMISSIONER REARDON:  Thank you.

13                   SENATOR COMRIE:  Thank you, Madam  
14          Chair.

15                   CHAIRMAN FARRELL:  Thank you.

16                   Assemblyman Oaks.

17                   ASSEMBLYMAN OAKS:  Thank you,  
18          Commissioner.

19                   Actually, just a quick question on the  
20          unemployment insurance, the plan to allow  
21          individuals to work and not have their  
22          benefits totally impacted like they would be  
23          today.  A number of people -- I'm interested  
24          in seeing that proposal going forward, and



1           hopefully that will make an impact.

2                     Do we have any sense, though, of -- an  
3           estimate if that's going to have an impact on  
4           the fund, whether we're going to then be  
5           paying out more because of that or not? Have  
6           we done that analysis?

7                     COMMISSIONER REARDON: We have done  
8           that analysis, I can assure you.

9                     One thing I should point out is that  
10          New York State is the only state in the union  
11          now that does the 25 percent deduction for  
12          one day of work. Every other state does the  
13          income disregard. So it seems to be working  
14          pretty well other places. But we've looked  
15          very closely at our own fund, and the  
16          determination was that it would be neutral,  
17          which was great.

18                    ASSEMBLYMAN OAKS: Okay. Thank you  
19          very much.

20                    CHAIRMAN FARRELL: Senator.

21                    CHAIRWOMAN YOUNG: Thank you.

22                    Senator Montgomery.

23                    SENATOR MONTGOMERY: Thank you,  
24          Commissioner. Thank you, Madam Chair.

1                   (Inaudible comment.)

2                   SENATOR MONTGOMERY: I did. This is  
3 my second time.

4                   I just want to ask -- I want to follow  
5 up, if I may, on the Youth Build program. It  
6 may not be familiar to you, but I certainly  
7 would welcome an opportunity to talk to you  
8 more about it. And I just want you to know  
9 that it has been around for a very long time,  
10 but formerly basically funded through the  
11 federal process. It is statewide, they have  
12 programs across the state. Not nearly  
13 enough, but the ones that do exist are  
14 extremely important and effective.

15                  And the thing about this program is  
16 that it combines an opportunity for young  
17 people to develop skills in certain areas --  
18 the one in Brooklyn that I'm aware of, I've  
19 visited any number of times, young people are  
20 gaining skills in the building trades. So --  
21 and they're also in the process of rebuilding  
22 their own communities. And I met a young man  
23 who went through the Youth Build program who  
24 now, based on his experience there, was able

1           to be hired by a housing developer, a  
2           for-profit developer, in fact, was mentored  
3           by him and is now doing electrical work in  
4           his own community, based on the skills that  
5           he gained.

6                   COMMISSIONER REARDON: That's great.

7                   SENATOR MONTGOMERY: Yes. And these  
8           are young people who, but for the Youth Build  
9           experience, would have gone further into the  
10          criminal justice, juvenile justice system.

11                  And so it is an extremely important  
12          program, and several of us have been  
13          communicating, we're trying to figure out --  
14          it doesn't fit neatly in one place or  
15          another. It is obviously -- you know, it's  
16          monitoring, it's a diversion program for  
17          young people, it's a work program. Young  
18          people have a stipend that goes along with  
19          their participation in it. Very, very  
20          important, because many of them absolutely  
21          need it. And it's part of workforce  
22          development. So trying to fit it one place  
23          or another is sometimes difficult.

24                  But it seems that it would be very,

1           very important for your department to really  
2           be supportive in spearheading it. We  
3           certainly wish that it would. And what has  
4           happened in the last few years is that that  
5           the Legislature has put in a small amount, it  
6           doesn't go nearly far enough. The New York  
7           City Council has put funding into it. But we  
8           don't have a place where our state actually  
9           is preparing to fund and support this  
10          important program.

11                 So I would really -- we would ask, and  
12          I'm just taking the liberty of including my  
13          colleagues up here, because we've put money  
14          in, we talk to each other every year,  
15          scrounge up a little money for it. But this  
16          really is something that we would like to see  
17          done.

18                 COMMISSIONER REARDON: It sounds  
19          fascinating. I'll look into it. Thank you.

20                 SENATOR MONTGOMERY: Thank you very  
21          much.

22                 CHAIRWOMAN YOUNG: Assembly?

23                 CHAIRMAN FARRELL: Yes. Assemblyman  
24          DenDekker.

1                   ASSEMBLYMAN DENDEKKER: Thank you very  
2 much, Commissioner. I also want to thank you  
3 for your service when you served as  
4 co-president with Ken Howard. I'm a  
5 SAG-AFTRA member myself, --

6                   COMMISSIONER REARDON: That's right.  
7 Thank you.

8                   ASSEMBLYMAN DENDEKKER: -- and I  
9 appreciate the service that you gave us  
10 during that time of transition.

11                   So I wanted to ask a question  
12 specifically about when unionized labor and  
13 management in a non-public-employee  
14 relationship in the private sector are --  
15 during a dispute. For example, I know CWA up  
16 in Waterford right now is having an issue.  
17 Is there any specific period of time when  
18 those two parties don't meet that the  
19 Department of Labor will get involved and at  
20 least try to get management and labor to the  
21 table?

22                   COMMISSIONER REARDON: That's an  
23 interesting question, actually. There are  
24 federal mediators, so they may actually be --

1           they may ask for a federal mediator. I know  
2           that when we had the commercial strike in  
3           2000, we had a federal mediator for that  
4           strike. So that may happen. Sometimes it's  
5           imposed on them; sometimes it's asked for.

6           The Department of Labor, we do not go  
7           into that area. But I do know that -- you  
8           know, anything we can do, of course, to  
9           facilitate conversations, we would do. But  
10          to officially mediate, I don't think that  
11          would be a position we could do.

12          ASSEMBLYMAN DENDEKKER: Okay. So I'm  
13          just going to make a recommendation, rather  
14          than put it into a bill format. But maybe  
15          you could look at just looking when these  
16          actions are taking place between management  
17          and labor, and not necessarily mediating, but  
18          just requiring them, like after 30 days of no  
19          communication, that they have to at least sit  
20          down and talk for an hour and then they can  
21          leave. But just to force them, both sides,  
22          to come to the table and at least have a  
23          talk.

24          Because when you're going on strike or

1       having a labor dispute for 90-some-odd days,  
2       and in many cases it can be even longer, for  
3       someone not to hold one side or the other  
4       side accountable to at least sit at the table  
5       and have a discussion, I think we're doing a  
6       disservice to those employees and those  
7       employers. First of all, they need the  
8       employees back at work to do their job, and  
9       the employees want to go back to work in some  
10      cases. But I just think we should look at  
11      that. It would be an interesting thing.

12               COMMISSIONER REARDON: Thank you.

13               ASSEMBLYMAN DENDEKKER: The other  
14      thing I wanted to ask is the Executive Budget  
15      proposes the creation of a Division of  
16      Central Administrative Hearings. Is that  
17      under the Department of Labor?

18               COMMISSIONER REARDON: The ALJ --  
19      that's not under us. That's separate.

20               We have two boards that might  
21      potentially be involved in that, but that's  
22      in very early stages, the discussion is just  
23      starting. I think there's a discussion about  
24      doing a test with maybe a selection of the

1       boards, but not all of them at first. But  
2       we're very, very early in the conversation.

3               ASSEMBLYMAN DENDEKKER: The only real  
4       concern I have about this is that many  
5       agencies that have -- and those judges that  
6       have expertise in a specific area, whether it  
7       be environmental issues or labor issues, that  
8       these administrative judges are going to get  
9       lost in the system and we're just going to  
10      have people with some sort of general  
11      knowledge and not have the expertise that is  
12      required of those judges.

13             And that's what I'm afraid we're going  
14      to lose, and I think we should leave it the  
15      way it is. And if -- I don't see why the  
16      consolidation would be so great to now have  
17      someone whose expertise in an environmental  
18      issue is now going to be maybe hearing cases  
19      in labor. I just -- I would be afraid that  
20      there wouldn't be proper representation and  
21      it wouldn't be there.

22             So those are my two major concerns.  
23      And my last concern is I'm the chair of  
24      Veterans in the Assembly, and we are working



1           on a program -- I'm glad you like the  
2           apprenticeship programs in the building  
3           trades. Both of my children graduated from  
4           those programs --

5                   COMMISSIONER REARDON: Excellent.

6                   ASSEMBLYMAN DENDEKKER: -- and have  
7           jobs that pay more than me.

8                   COMMISSIONER REARDON: Yes, of course.

9                   ASSEMBLYMAN DENDEKKER: So I'm very  
10          very happy for them --

11                  COMMISSIONER REARDON: You're a happy  
12          father.

13                  ASSEMBLYMAN DENDEKKER: -- that my  
14          children are making more than me.

15                  However, there's a program called  
16          Helmets to Hardhats in New York City --

17                  COMMISSIONER REARDON: Yes, excellent  
18          program.

19                  ASSEMBLYMAN DENDEKKER: It's a great  
20          program. And actually last year we got some  
21          funding, in the veterans portion under the  
22          Division of Veterans, to support that project  
23          to expand outside of New York City. However,  
24          this year that so far has been cut.

1           So I would like to know, is the  
2           Department of Labor doing anything for  
3           veterans specifically that may not have --  
4           you maybe haven't communicated to me. Or, if  
5           not, maybe we could look at taking this  
6           project out of the veterans area and putting  
7           it into the labor area and somehow creating  
8           more opportunities for veterans.

9           And the reason why I am so concerned  
10          about that is the expense that we have or  
11          that we could incur when we find out -- our  
12          studies and our hearings have shown that  
13          veterans that don't get a job when they  
14          return run into sometimes other issues, which  
15          can cost us, as a state and as a society,  
16          much more damage. And anything we can do to  
17          help them when they transition back would be  
18          the best thing.

19          And it's all about jobs. Every single  
20          group I go to, the first word out of a  
21          veteran's mouth is I just want to work. I  
22          just want to work.

23          So I don't know why we have to have  
24          cuts like this, but I'd love to know any

1 programs that are specifically designated to  
2 veterans under your department.

3 COMMISSIONER REARDON: We have a lot  
4 of programs at the DOL for vets. We have --  
5 in our Career Centers, we have dedicated  
6 career counselors for returning vets and then  
7 for disabled vets. That's two separate  
8 programs. And we make sure that they get  
9 their individual appointments so they're not  
10 coming -- they have first service, they come  
11 to the front of the line. We are very  
12 focused on that.

13 I should tell you that before I was  
14 here, I did some consulting with the AFL-CIO,  
15 and they have the Veterans Council, and a  
16 good friend of mine became their executive  
17 director when I got this job. And I said,  
18 "Tell me what we can do." He said, "New York  
19 State DOL does better than most states,  
20 period, when it comes to veterans."

21 So we take it very seriously. There  
22 are a lot of programs. There are tax credits  
23 for hiring vets, there are training programs  
24 for vets. And they do step to the front of

1           the line in any Career Center that they come  
2           into, because we all really respect the  
3           service they have given us. And it's the  
4           least we can do to make sure we help them.

5                   ASSEMBLYMAN DENDEKKER: Okay, thank  
6           you very much.

7                   COMMISSIONER REARDON: Thank you.

8                   CHAIRWOMAN YOUNG: Thank you.

9                   Senator Krueger.

10                  SENATOR KRUEGER: Thank you.

11                  Afternoon, Commissioner.

12                  COMMISSIONER REARDON: Good afternoon.

13                  SENATOR KRUEGER: So many of my  
14           colleagues brought up the Urban Youth Jobs  
15           Tax Credit, or the newly titled model. But I  
16           don't think we've talked about another  
17           program, the Minimum Wage Subsidy Program for  
18           youth employment, and that's costing the  
19           state almost the same amount of money. And I  
20           was never really big on that program, I will  
21           say that to you now. But I'm curious, since  
22           we're running two programs of approximately  
23           the same dollar cost to the state, both  
24           targeting youth, tell me a little bit about

1           the Minimum Wage Subsidy Program and how it  
2           contrasts or compares to the Urban Youth Job  
3           Tax Credit.

4                   COMMISSIONER REARDON:  So they are  
5           different.  The minimum wage subsidy says  
6           that if you hire youth I believe up to -- I  
7           don't know if it's up to 19 --

8                   SENATOR KRUEGER:  I think 16 to 20,  
9           maybe?

10                  COMMISSIONER REARDON:  Yeah, something  
11           like that.  And they are paid the minimum  
12           wage, you can get \$1.35 an hour in a tax  
13           break.

14                  So an interesting story, actually,  
15           with Commissioner Ball from Ag and Markets;  
16           we've had this conversation.  The farmers use  
17           this, and some of the farmers have come and  
18           said, "You know, the problem with that  
19           particular tax credit is I can't give them a  
20           raise.  Because if I give them the raise, I  
21           lose the tax credit."

22                  SENATOR KRUEGER:  Exactly.

23                  COMMISSIONER REARDON:  So that's one  
24           difference.

1           The New York Youth Works is not simply  
2           for minimum wage. It's for being hired. So  
3           we're not saying you can only make this  
4           minimum wage in order to qualify, we just  
5           want you to hire the youth, employ them. If  
6           they stay a second year, you get a second tax  
7           credit. It really is about keeping that  
8           youth on the job.

9           So they are very different. They are  
10          both useful. And they kind of serve slightly  
11          different purposes. For some industries,  
12          where they feel that the minimum wage is a  
13          burden, they can take advantage of this tax  
14          break. The New York Youth Works is a  
15          different kind of program, really encouraging  
16          people to look at youths that they might not  
17          normally think of hiring.

18          SENATOR KRUEGER: And can you tell  
19          us -- so I have the same concern, that this  
20          was not the supplemental program for minimum  
21          wage but it was a never-can-get-above-  
22          minimum-wage model.

23          And second was that it would be used  
24          by the large institutional fast food

1           companies who want to hire youth anyway, and  
2           were going to hire youth anyway, and would  
3           just be the people of New York giving \$1.35  
4           an hour towards the wages that they were  
5           paying.

6                       So can you tell me what industries  
7           besides farmers -- because I had not thought  
8           about farmers -- are actually using that  
9           credit?

10                    COMMISSIONER REARDON: I don't have  
11           that information. I can find out.

12                    I mean, I've had the conversation with  
13           Commissioner Ball because we have a lot of  
14           conversations, and that was part of it. And  
15           I honestly have not read the law, so I don't  
16           know if there's any bar to the size of the  
17           company that gets to use it. I don't know.

18                    SENATOR KRUEGER: So there's also been  
19           a number of discussions about annual reports  
20           coming or not coming. And I'm not always so  
21           big on making enormous demands on annual  
22           reports, but it seems to me on both of those  
23           programs the questions we really want to  
24           know, since we're putting more money into

1           them, we're continuing the programs, is  
2           what's working? Are they continuing to keep  
3           these jobs after the credit is used up? Are  
4           they -- is it just a way for some companies  
5           to figure out how to use the tax dollar to  
6           subsidize the wage they would have paid the  
7           exact same people anyway? I think that's  
8           actually very important information for us to  
9           know.

10                   COMMISSIONER REARDON: That's an  
11           interesting question. Yeah, thank you.

12                   SENATOR KRUEGER: Finally, most of  
13           your job training and workforce development  
14           money is federal. What happens if and when  
15           it gets cut out at the federal level? What  
16           are you going to be closing?

17                   COMMISSIONER REARDON: It's a serious  
18           question. As you know, a very large part of  
19           the DOL budget is the federal budget, because  
20           of unemployment insurance and various  
21           programs. Of course we're concerned about  
22           that. It's hard to plan for a future when  
23           you don't know -- you know, we're so early in  
24           this new administration we don't know what to



1           expect. So we're thinking about it. But  
2           until something more develops, it's hard to  
3           really plan anything.

4                       I will say if we think about the  
5           majority, frankly, of our training programs,  
6           the training dollars that we get from the  
7           federal government, these are programs that  
8           are there to train people in need and lift  
9           them into the middle class. And the  
10          conversation in the election was lifting  
11          people into the middle class. And it is  
12          continuing to be a conversation. And I just  
13          think -- I hope, I pray -- that people will  
14          not do something that will actually eliminate  
15          those opportunities to lift people into the  
16          middle class.

17                      SENATOR KRUEGER: And if the WIA fund,  
18          say, disappeared, how much money is that to  
19          the State of New York each year?

20                      COMMISSIONER REARDON: The WIA funds  
21          are a lot of our training dollars. I don't  
22          have -- I can look at it, it's in here.

23                      But I would be very surprised if the  
24          money disappeared. It would be a huge impact

1           across the country. I mean, every state in  
2           the union depends on these funds to train  
3           their citizens. So you're the politicians, I  
4           think you can assess the risk. But it might  
5           get cut. That's a real possibility.

6                     SENATOR KRUEGER: I think that it's a  
7           real possibility, and it's a very disturbing  
8           one for this -- you're right, every state in  
9           the nation, but particularly for us. Because  
10          I think that you have been successful in  
11          redirecting and using these funds very  
12          effectively, and it would be a tragedy for  
13          the efforts we're making to lose that federal  
14          money at this time.

15                    Thank you.

16                    COMMISSIONER REARDON: Thank you.

17                    CHAIRWOMAN YOUNG: Thank you.

18                    CHAIRMAN FARRELL: Thank you.

19                    Assemblywoman Jaffee, to close.

20                    ASSEMBLYWOMAN JAFFEE: Thank you,  
21          Commissioner.

22                    I wanted to just briefly thank you for  
23          your incentives for jobs for our youth and  
24          for our communities. There was a

1 conversation here, or a comment, about gender  
2 equity in terms of pay equity, something  
3 we've been discussing --

4 COMMISSIONER REARDON: For a long  
5 time.

6 ASSEMBLYWOMAN JAFFEE: -- in the  
7 Assembly for a long time. But I wanted to  
8 just raise awareness of a piece of  
9 legislation that I passed several years ago,  
10 which it's not just about pay equity, it's  
11 about opportunity as well. In too many of  
12 our employment sites, they were not providing  
13 women with the knowledge about various jobs  
14 that might be available because they were  
15 setting aside those jobs for the men. And  
16 primarily women were given information about  
17 secretarial jobs and that kind of job status.

18 So the legislation really requires  
19 that the state, at these sites, provide women  
20 with the same opportunities that are offered  
21 to men, as well as making them aware that  
22 training is also available. That will expand  
23 our workforce for women as well as providing  
24 the kind of pay equity that is absolutely

1           necessary.

2                       So I wanted to share that with you.

3           And hopefully we can take a look at whether  
4           or not -- how that has been implemented and  
5           what kind of impact that has had for women  
6           and job availability.

7                       COMMISSIONER REARDON: You know, those  
8           are really important opportunities. We know  
9           probably personally how important those  
10          opportunities are.

11                      I will say in the construction trades  
12          in New York City, there's a group called  
13          Nontraditional Employment for Women, because  
14          the construction trades offer incredible  
15          opportunities for a solid career path. But  
16          that's a path that many women would not  
17          choose for a variety of reasons -- their own  
18          bias, to start with: I don't want to swing a  
19          hammer. But it's a preapprenticeship program  
20          that brings them in, they are introduced to  
21          the trades, they make a selection, they go  
22          into an apprenticeship and they have a  
23          career. And the more programs that we can do  
24          like that, which doesn't exclude men, it just

1           simply says women should think about being an  
2           electrician as well, or a painter or  
3           whatever.

4                     So I'm very supportive of those  
5           programs.

6                     ASSEMBLYWOMAN JAFFEE: Well, I would  
7           have wanted to be an electrician or work like  
8           that, but they didn't suggest that happen.  
9           So when I got married, my husband bought me a  
10          tool kit, because he knew I liked to do that  
11          kind of thing, and I started to build things  
12          in the house.

13                    But thank you. That's an interesting  
14          idea. I will certainly take a look at that.

15                    COMMISSIONER REARDON: Thank you.

16                    CHAIRMAN FARRELL: Thank you.

17                    CHAIRWOMAN YOUNG: Thank you,  
18          Commissioner. I think we're done. So again,  
19          thank you for being here.

20                    CHAIRMAN FARRELL: Thank you very  
21          much.

22                    COMMISSIONER REARDON: Thank you very  
23          much.

24                    CHAIRWOMAN YOUNG: Good job.

3                    We did a lot of it today.

7 Well, good morning, Chairpersons Young  
8 and Farrell and all the distinguished members  
9 of the Senate Finance and Assembly Ways and  
10 Means Committees. Chairperson Serino, it's  
11 good to see you. And Chairperson Lupardo,  
12 welcome to Aging. I'm really excited to be  
13 working with you.

19                   The New York State Office for the  
20           Aging administers programs and services for  
21           New Yorkers 60 years of age and older, as  
22           well as their families, friends, and  
23           neighbors who help them remain as independent  
24           as possible, for as long as possible, in

1           their homes and communities of choice.

2                   NYSOFA provides leadership and  
3           direction to an integrated, coordinated  
4           network of 59 county-based area agencies on  
5           aging and more than 1,200 public and private  
6           organizations that serve to help empower  
7           older adults and their families. Further,  
8           Governor Cuomo's priority to de-silo state  
9           agencies to reduce duplication, strengthen  
10          service delivery, increase efficiencies, and  
11          improve outcomes has created very strong  
12          working partnerships and relationships with  
13          the Department of Health, Office of Persons  
14          with Developmental Disabilities, Mental  
15          Health, Office of Children and Family  
16          Services, Alcoholism and Substance Abuse  
17          Services, Victim Services, Division of  
18          Veterans' Affairs, and the Office of Court  
19          Administration, among others.

20                   The 2018 Executive Budget includes a  
21          host of initiatives that address primary  
22          areas of concern for older New Yorkers and  
23          their families. Governor Cuomo's Executive  
24          Budget helps older adults and their families

1 by expanding transportation options  
2 throughout the state by proposing to expand  
3 rideshare; extending the Home Energy  
4 Assistance Program season to increase access  
5 to the Supplemental Nutrition Assistance  
6 Program; leveraging additional federal funds  
7 to significantly increase outreach for SNAP  
8 to reduce the number of older New Yorkers who  
9 are eligible but not receiving the benefit;  
10 increasing the number of low-income homes  
11 that are weatherized to reduce energy costs,  
12 save money, and prevent dangerous home  
13 heating situations, such as the use of ovens  
14 and stoves -- carbon monoxide, which can  
15 certainly -- fire hazards and health hazards;  
16 advancing a "Health Across all Policies"  
17 approach that includes lower prescription  
18 drug costs; increasing access to healthy  
19 foods and locally-grown commodities;  
20 increasing opportunities for physical  
21 activity via the Empire State Trail; and  
22 encouraging healthy behaviors; taking  
23 additional steps to make New York State the  
24 first Age Friendly/Livable Community state,



1 as designated by the World Health  
2 Organization and AARP, and building the  
3 elements of Age Friendly/Livable Communities  
4 into the second round of Downtown  
5 Revitalization grants; modernizing the  
6 workforce by focusing on skills development  
7 and training for the jobs of today and  
8 tomorrow, which will benefit older workers  
9 and workers of all ages; advancing efforts to  
10 combat financial exploitation of older  
11 adults, modernizing cybercrime and identity  
12 theft laws and safeguarding older adults from  
13 the risks of reverse mortgages; eliminating  
14 the wage disparity, which will have a  
15 significant positive impact for future older  
16 New Yorkers in terms of retirement income;  
17 and implementing a "Silver Line" program  
18 modeled after the United Kingdom to reduce  
19 social isolation and the negative health  
20 outcomes that result from it.

21 The 2018 Executive Budget honors the  
22 state's commitment to ensuring that those who  
23 are served by NYSOFA across the state have  
24 access to cost-effective, high-quality,

1 coordinated services that support  
2 independence. The budget preserves key  
3 programs including the Expanded In-Home  
4 Services for the Elderly Program, which  
5 provides non-medical in-home services, case  
6 management, respite, and ancillary services  
7 to those who are just above the Medicaid  
8 limit but can remain in their homes and  
9 communities. The Wellness in Nutrition  
10 Program funds home-delivered and congregate  
11 meals and provides nutrition counseling and  
12 education to frail older adults who may be  
13 unable to shop or prepare meals for  
14 themselves.

15 The Executive Budget includes the  
16 \$1 million increase that was added last year  
17 to the Community Services for the Elderly  
18 Program and consolidates the \$1.121 million  
19 transportation appropriation into the CSE to  
20 streamline reporting. CSE is designed to  
21 improve the ability of communities to  
22 identify priorities, gaps, and needs, and  
23 assist older adults who need help to remain  
24 in their homes and communities for as long as

1           possible.

2                   The Governor's budget proposal also  
3           makes a significant investment in NY Connects  
4           sustainability, which is our state's No Wrong  
5           Door, by a partnership with the Department of  
6           Health. NY Connects is a statewide, locally  
7           based no-wrong-door system that provides  
8           one-stop access to free, objective, and  
9           comprehensive information and assistance on  
10          accessing long-term services and supports.  
11          The partnership with the Health Department  
12          will provide an investment of almost \$20  
13          million to the 59 county-based area agencies  
14          on aging, and an additional almost \$6 million  
15          to our five regional disability partner  
16          organizations.

17                   The Executive Budget increases the  
18          Health Insurance Information Counseling and  
19          Assistance Program to meet increased demand  
20          for objective, personalized, one-on-one  
21          counseling and assistance. HIICAP is  
22          available to all Medicare beneficiaries of  
23          all ages, providing free, confidential  
24          counseling about Medicare and health

1 insurance benefits, options, paperwork, and  
2 resources; programs that can help pay for  
3 Medicare and prescription costs; Medicare  
4 covered costs, deductibles, and programs;  
5 information on insurance products that can  
6 help wrap around such as a Medigap; and how  
7 to evaluate Medicare plans, Part B  
8 prescription drug programs, and so on.

9 These state-certified counselors,  
10 along with our MCAP partners, helped  
11 low-income Medicare beneficiaries realize  
12 \$104 million in savings last year by helping  
13 them apply for the Medicare Savings Program  
14 and the low-income subsidy. More than 20,000  
15 applications were approved by CMS.

16 NYSOFA has and will continue to build  
17 partnerships with our sister agencies to  
18 increase access to services and meet needs  
19 that are across systems. One such  
20 partnership -- and I'd really like to thank  
21 Commissioner Cronin -- is with the Office of  
22 Victim Services, to increase statewide  
23 funding for our elder abuse mitigation. This  
24 partnership, when fully realized, will

1       utilize \$7.5 million over three years to  
2       expand our very successful federal pilot over  
3       the last three and a half years to expand the  
4       Enhanced Multi-Disciplinary Teams to combat  
5       financial exploitation along with other  
6       efforts, as I mentioned earlier, with the  
7       Department of Financial Services.

8               Almost 700,000 older adults last year  
9       received services through our network. They  
10      received home and congregate meals; received  
11      care and other services in their homes to  
12      help them remain independent and autonomous;  
13      accessed transportation services to medical  
14      appointments, dialysis, pharmacies and other  
15      community outlets; received legal assistance  
16      and legal services; received Medicare plan  
17      and prescription counseling and assistance;  
18      and received support services such as respite  
19      and other caregiver support so they can  
20      continue to care for a husband, a spouse, or  
21      other loved one.

22             We will continue to work smart by  
23      engaging other state agencies,  
24      not-for-profits, and community-based

1 organizations to serve all of New York's  
2 older population.

3 And with that, as always, I'm thankful  
4 for your ongoing support, and I'm happy to  
5 answer any questions that you have.

6 CHAIRMAN FARRELL: Thank you very  
7 much.

8 We begin with Ms. Lupardo, chair.

9 ASSEMBLYWOMAN LUPARDO: Thank you,  
10 Mr. Chair.

11 Well, thanks for your testimony. In  
12 the 10 minutes that I have, we have together,  
13 I want to quickly go through some basic  
14 budget questions and then I want to ask you  
15 some bigger-picture questions as well.

16 ACTING DIRECTOR OLSEN: Sure.

17 ASSEMBLYWOMAN LUPARDO: So let's  
18 quickly just try to get through some easy  
19 stuff, I hope, which is the rationale for  
20 moving that senior transportation operating  
21 expense into the Community Service for the  
22 Elderly program.

23 ACTING DIRECTOR OLSEN: Yeah, so one  
24 of the things that we've been engaging in to

1        try to reduce the administrative burden on  
2        the counties is making their reporting and  
3        responsibility to us a little bit more  
4        streamlined and easier.

5                So one of the requirements that the  
6        counties have to fulfill each year is  
7        providing us with a plan. It used to be a  
8        very, very large, labor-intensive, really  
9        thick document talking about how they were  
10       going to meet federal and state regulations,  
11       laws, their fiduciary responsibility,  
12       monitoring, oversight, targeting for specific  
13       populations that are included under the elder  
14       law. So this move to move the transportation  
15       in there is a reporting efficiency.

16               ASSEMBLYWOMAN LUPARDO: I'm a little  
17       concerned about the shift of ongoing  
18       operations funding for NY Connects, which you  
19       just spoke about, from the SOFA budget to a  
20       pool of federal funding. I'm nervous about  
21       that.

22               It seems, under current circumstances,  
23       a risky move, given how critically important  
24       this is, connecting people up, as you

1           mentioned, to long-term-care services. So  
2           why would we want to potentially jeopardize  
3           that funding at this point?

4                    ACTING DIRECTOR OLSEN: You know, I  
5           think if we looked three years ago, the  
6           entire pool of funding to support the  
7           operations of NY Connects was \$3.35 million.  
8           What's going out the door in this fiscal  
9           year, '17-'18, is a combination of BIP funds,  
10          the Balancing Incentive Payment program, and  
11          funds contained under the global Medicaid  
12          cap. That is going to equal about \$26  
13          million.

14                   So it's not that the money has  
15          disappeared. We're using two sources that  
16          are contained within the Health Department,  
17          because the Health Department is a major  
18          partner in designing, developing, and helping  
19          implement, along with the Office of Mental  
20          Health, the Office of Substance Abuse  
21          Services, and OPWDD.

22                   ASSEMBLYWOMAN LUPARDO: So -- but it's  
23          possible that that Balancing Incentive  
24          Program fund could run out, in which case --



1                   ACTING DIRECTOR OLSEN: Well, they  
2                   will run out. And so we have a --

3                   ASSEMBLYWOMAN LUPARDO: Sure.

4                   ACTING DIRECTOR OLSEN: -- we have a  
5                   sustainability plan that was part of the  
6                   deliverables in receiving the grants to begin  
7                   with. So we have a multiyear plan that we  
8                   have put together. This year the BIP funds  
9                   run out in '18, March of '18, and that's when  
10                  the global Medicaid cap dollars kick in. And  
11                  then we have again a sustainability plan  
12                  further on.

13                  I mean, I think what's really  
14                  important to point out about this system --  
15                  this is really a systems change and not a  
16                  program -- is really what it's designed to do  
17                  and how important it is, I think, for all of  
18                  you to help us get the word out about it,  
19                  because it's a really great constituent  
20                  service for people of all ages to utilize to  
21                  help with their benefits.

22                  As I was listening to some of the  
23                  other testimony, how do we increase some of  
24                  the benefits that people are eligible for but

1       aren't participating in? That's one of the  
2       core deliverables of what the No Wrong Door's  
3       designed to do. And so, you know, we can be  
4       very helpful throughout the state, because  
5       this system's reform is happening in every  
6       county in helping your constituents access  
7       some of those services.

8               So we didn't build something to see it  
9       fall apart. This is a major systems change,  
10      again, that not only involves five state  
11      agencies but regional disability  
12      organizations and then a variety of other  
13      partners that are delivering services that  
14      are underneath the level of the area agencies  
15      on aging.

16             And so, you know, as I had mentioned  
17      as part of the sustainability of  
18      deliverables, we had to develop a  
19      sustainability plan.

20             ASSEMBLYWOMAN LUPARDO: So speaking of  
21      sustainability, a lot of us are alarmed about  
22      the Title XX shift and the impact that will  
23      have not only on New York City's senior  
24      centers but on counties that rely on that

1 funding for Adult Protective Services. I  
2 know that's not in the budget, but it  
3 certainly is going to have a big impact on  
4 your constituency. What are your thoughts on  
5 this?

6 ACTING DIRECTOR OLSEN: Well, I think,  
7 you know -- and listening to Commissioner  
8 Poole's response this morning, I have had a  
9 conversation with her about this issue. You  
10 know, I think that they're willing to take a  
11 look at some of the other funding structures  
12 and mechanisms to potentially offset that.  
13 My understanding is there is a net plus for  
14 the city and some counties because of some of  
15 the Medicaid admin takeover actions and some  
16 other tax. But this is an issue that I think  
17 isn't going to be settled today --

18 ASSEMBLYWOMAN LUPARDO: No.

19 ACTING DIRECTOR OLSEN: -- and it's  
20 going to be a subject of conversation over  
21 the next month and a half.

22 ASSEMBLYWOMAN LUPARDO: No, we were  
23 just highlighting how important it is to the  
24 members, that this particular issue be on the

1 front burner.

2 A couple of other quick budget items.

3 On the COLA, I'm a little confused about  
4 that. Our understanding is that it was  
5 discontinued because it was considered too  
6 difficult to administer and get out.

7 ACTING DIRECTOR OLSEN: So you're  
8 talking about the direct care worker funding?

9 ASSEMBLYWOMAN LUPARDO: I'm sorry,  
10 yes.

11 ACTING DIRECTOR OLSEN: Yeah.

12 ASSEMBLYWOMAN LUPARDO: The direct  
13 service workers.

14 ACTING DIRECTOR OLSEN: You know, in  
15 the original budget appropriation, the  
16 estimate for our agency was about  
17 \$7.4 million. And that was an estimate based  
18 on the titles that were included within the  
19 direct care worker proposal.

20 ASSEMBLYWOMAN LUPARDO: Right.

21 ACTING DIRECTOR OLSEN: That was a  
22 large overestimate, to say the least. And a  
23 lot of our counties opted not to participate,  
24 due to title-matching issues and some other

1 issues.

2 So we are in the process now of, you  
3 know, looking at the counties, looking at the  
4 vouchers to gauge what the impact of that is.  
5 But a lot of our counties opted not to take  
6 advantage.

7 ASSEMBLYWOMAN LUPARDO: Okay. And one  
8 other question about the multidisciplinary  
9 teams. So it looks as if that funding was  
10 not continued. And I'm wondering, what's  
11 your assessment on how it has gone so far?  
12 Because it seems, again, I'm just learning  
13 about these programs. It seems very  
14 important.

15 ACTING DIRECTOR OLSEN: Yeah, and this  
16 is one of the most exciting projects for an  
17 area that is frankly horrific. Right? We  
18 had been successful in getting the only grant  
19 in the country that tested an enhanced  
20 multidisciplinary team model.

21 And, you know, multidisciplinary team  
22 is really what it says it is. It's pulling  
23 the expertise of a variety of different folks  
24 from, you know, the court system to the DA to

1 law enforcement, APS, human services,  
2 housing, so on and so forth. What makes the  
3 enhancement is the funding of a coordinator  
4 for the -- to keep that group together, a  
5 financing forensic accountant, and a  
6 geropsychiatrist.

7 The funding that was -- so we did a  
8 three-year pilot in eight upstate counties  
9 and then in Manhattan. That was very, very  
10 successful.

11 That we're still -- you know, groups  
12 are still meeting and talking and figuring  
13 out ways to expand. The \$500,000 that was  
14 added last year was really a great first step  
15 in the expansion. We weren't able to  
16 obviously go statewide with \$500,000, so part  
17 of that money was used to sustain the two  
18 pilot programs and then begin the process,  
19 over a three-to-five-year period, of looking  
20 at how we could expand. The partnership that  
21 we have with OVS is going to turn this  
22 program into a \$7.5 million program.

23 ASSEMBLYWOMAN LUPARDO: OVS?

24 ACTING DIRECTOR OLSEN: Office of

1           Victim Services.

2                   ASSEMBLYWOMAN LUPARDO:   Got it.

3                   ACTING DIRECTOR OLSEN:   So that was  
4           really why I was thanking Commissioner  
5           Cronin, who is jumping in right with us.  I'm  
6           sending her a proposal, in fact, this  
7           afternoon.

8                   But this would be over a three-year  
9           period, to really take that next step in  
10          expanding some regional hubs and then the  
11          EMDTs within the counties throughout the  
12          state.

13                   ASSEMBLYWOMAN LUPARDO:  I would very  
14          much like as many details as you can provide  
15          us on that.  That sounds like a very positive  
16          move.

17                   I may ask for additional time later,  
18          but I'd like to hear your thoughts on two  
19          programs that to me seem like hugely  
20          important investments, and a big money saver  
21          to the state.  That would be, of course, the  
22          CSE program and EISEP programs.

23                   So how cost-effective are those?  And  
24          surely I'm going to be making a case that we

1       should be investing more, not less, in those  
2       programs.

3                ACTING DIRECTOR OLSEN: I think the  
4       people that utilize those programs -- they're  
5       mostly individuals in their eighties for  
6       EISEP, late seventies for CSE. CSE is the  
7       most flexible funding stream, so whether  
8       you're in your community or anywhere else in  
9       the state, you have the opportunity to  
10      identify locally determined needs and then  
11      fill those gaps. So it's a real important,  
12      flexible funding stream.

13               But I think, you know, the value of  
14      the network, the area agencies, and the  
15      various entities that they work with, whether  
16      they be faith-based organizations, other  
17      vendors, community action, town and municipal  
18      government agencies that provide similar  
19      services, is that the intervention line for  
20      many of the people that might need some  
21      assistance in their home is earlier. So you  
22      can get in and you can stop somebody from  
23      declining, you can prevent hospital  
24      readmissions.



1           You have a network that's built from  
2           the ground up -- when you're discharged from  
3           a hospital or from rehab, that they can  
4           succeed when they get back into the  
5           community, you know, get out of bed in the  
6           morning, make sure they're taking their  
7           medications, get to the doctors appointment,  
8           those types of low-budget high-yield  
9           services.

10           ASSEMBLYWOMAN LUPARDO: How low of a  
11           budget? What's the average that you spend or  
12           we can see across the state that's spent on  
13           someone in this type of setting?

14           ACTING DIRECTOR OLSEN: So if you took  
15           the average EISEP client, you know, they  
16           would have some personal care or home health  
17           care in their home to do those tasks that I  
18           had mentioned, and they all are provided with  
19           case management. You're looking at under  
20           \$10,000, which is shared jointly, which is  
21           another great way that this partnership is --  
22           it's a federal/state/local partnership, and  
23           also a partnership with the customer  
24           themselves to share the cost. So it doesn't

1 cost a lot of money.

2 ASSEMBLYWOMAN LUPARDO: That's  
3 amazing. Just one more time -- under  
4 \$10,000, as opposed to the high cost of  
5 long-term care in a facility?

6 ACTING DIRECTOR OLSEN: Well, they  
7 haven't triggered that need for that  
8 higher-level cost yet.

9 ASSEMBLYWOMAN LUPARDO: Sure. Because  
10 it's been -- they've been taken care of in  
11 that setting. Thanks.

12 CHAIRMAN FARRELL: Thank you.  
13 Senator?

14 CHAIRWOMAN YOUNG: Thank you,  
15 Mr. Chairman.

16 Our first speaker will be the chair of  
17 the Senate Standing Committee on Aging, and  
18 that's Senator Sue Serino.

19 SENATOR SERINO: Thank you, Senator.  
20 Hello, Acting Director.

21 ACTING DIRECTOR OLSEN: Hi.

22 SENATOR SERINO: Thank you very much  
23 for being here today.

24 As I was appointed to serve as the

1 chair of the Aging Committee in 2015, since  
2 that time I have seen the waiting list for  
3 the Community Services for the Elderly grow  
4 by thousands. In fact, despite adding funds  
5 to CSE, we have seen the list grow by at  
6 least one-third in one year's time, from  
7 9,700 people to an estimated 15,000 this  
8 year. And as I understand it, this number  
9 could actually be much larger, as not all  
10 counties keep and/or report the number of  
11 individuals on their waitlist.

12 Given that the waiting lists continue  
13 to grow, it astounds me that more money is  
14 not allocated to provide these services. And  
15 in your estimation, how much do you think  
16 would be needed to eliminate having elderly  
17 individuals on a waitlist for basic services  
18 such as meals, in-home services, and  
19 transportation?

20 ACTING DIRECTOR OLSEN: So let me  
21 answer that by saying two things, what a  
22 waiting list is and what a waiting list is  
23 not in our network.

24 So I believe that the data that you

1           have would probably be the most recent data  
2           from the counties from December of 2015.  
3           Their plans that are submitted to us have  
4           estimates based on a snapshot in time of  
5           individuals that may or may not be able to be  
6           served by the waiting list. So there were  
7           additional resources put into CSE last year  
8           and some other strategies that we have  
9           undertaken both within our network and with  
10          some of the other sister agencies, too, that  
11          I think will have an impact on trying to  
12          reduce any waiting list.

13                 What a waiting list doesn't mean,  
14          though, in our network is that older adults  
15          and their families are not being served. So  
16          let me give you an example. If an individual  
17          is in need of a home-delivered meal, it goes  
18          through the assessment and is deemed  
19          eligible. If that community does not have  
20          the resources to provide that meal based on  
21          that assessment, there are other things that  
22          the network can and does do.

23                 So, for example, we could have  
24          transportation to bring that individual to a

1       senior center or a congregate meal site to  
2       get a meal there and then to, you know,  
3       interact with others. There's other  
4       programming, there's health promotion and  
5       other types of real important evidence-based  
6       interventions going on in the centers.

7               If that individual is eligible or  
8       appears to be eligible for SNAP, Supplemental  
9       Nutrition Assistance Program, we would help  
10      that individual apply and receive those  
11      benefits. Those benefits could actually be  
12      used to pay for the cost of the  
13      home-delivered meal. Or, again, you could  
14      use a volunteer corps -- which the counties  
15      really rely on the volunteers extensively --  
16      for service delivery to possibly shop and  
17      prepare meals for that individual.

18             So that's just an example of ways  
19      that, you know, just because a person may not  
20      be able to receive that service, that there's  
21      not other ways to do it.

22             Now, what gets reported back to us is  
23      probably, in terms of data, maybe a third of  
24      what actually is going on out there. So

1       there are town programs -- the Town of  
2       Colonie, all of Long Island -- where the  
3       whole aging infrastructure is done by towns  
4       who are providing similar types of services  
5       that we don't get data from them in terms of,  
6       you know, what they're able to do or what  
7       they're reporting.

8               But those are other avenues that we  
9       can refer people to to try to meet their  
10      needs.

11             SENATOR SERINO: Because that is what  
12      I worry about. You know, I have -- my area  
13      is pretty rural, and I can't even imagine  
14      upstate. Transportation is a huge issue. So  
15      I think that there are probably a lot that  
16      aren't reporting. They might just say "We  
17      don't have the dollars for this function for  
18      you," and that's what I'm really concerned  
19      about.

20             With the Executive Budget removing the  
21      25 percent waiver on the CSE program, it  
22      places an undue fiscal burden on counties.  
23      This proposal also rolls the transportation  
24      services into the CSE line, also making it

1       subject to the local match. And I was very  
2       happy that my Assemblywoman Donna Lupardo,  
3       who co-chairs the Aging Committee with me,  
4       mentioned about the direct care workers. And  
5       you said it was \$7.4 million, which was a  
6       large overestimate on -- a lot of the  
7       counties didn't participate, but I can see  
8       this -- going forward, that they're not going  
9       to participate if they have to make that  
10      match, because already they're stretched to  
11      the limit.

12               We cannot have this waiver go by the  
13      wayside. So I really hope that we're going  
14      to reconsider that. And especially  
15      transportation is the number-one issue, I  
16      think, in all of our counties, and we  
17      really -- we can't afford to do that to our  
18      seniors.

19               And then also you spoke about -- no,  
20      this is about the Adult Protective Services.  
21      And I don't know if you were in the hearing  
22      room earlier today when I asked the  
23      commissioner of OCFS a few questions  
24      regarding APS and the staff allocated to

1       elder abuse cases. She was unfortunately  
2       unable to answer my questions on the data  
3       collected or the staffing available in her  
4       agency assigned to address the number of  
5       elder abuse incidents alleged and  
6       investigated statewide. I was very  
7       disappointed with that.

8               I bring this up because, as you know,  
9       I and many others fought hard to include  
10      funding to expand Lifespan, which I know  
11      you've talked about the multidisciplinary  
12      teams going through OVS. Will they be  
13      working with Lifespan too, or how is that  
14      going to work?

15             ACTING DIRECTOR OLSEN: Yeah, so your  
16      first question -- the Offices for the Aging  
17      work very closely with local APS, for obvious  
18      reasons. I mean, not every individual that  
19      touches APS winds up being an APS client.  
20      And then what other resources are there that  
21      are -- again, are across systems, that can  
22      assist that individual, depending on what it  
23      is. Lifespan is our primary partner in all  
24      things elder abuse.



1           You know, our model in federal grant  
2           was a partnership with Lifespan as well as  
3           the New York City Elder Abuse Coalition,  
4           Weill Cornell Medical Center. There's no  
5           reason to not go and support an  
6           infrastructure that has experience in this  
7           very complicated area and a successful track  
8           record. So I would anticipate that Lifespan  
9           would continue to be a major partner in that  
10          as well.

11          You know, Commissioner Poole and  
12          myself and the Commissioner of DFS have done  
13          a couple of regional listening sessions on  
14          elder abuse globally, financial exploitation  
15          specifically. We have just completed a model  
16          MOU not only in how we work with the state  
17          APS, but also how the local AAAs can be  
18          working and sharing information where --  
19          obviously, with HIPAA compliance, standards  
20          being met -- but how we can tighten those  
21          relationships a little bit better so that  
22          we're serving individuals holistically.

23          SENATOR SERINO: Okay. And also,  
24          there's no case managers assigned if people

1           are on a waiting list for CSE? That's a  
2           question I failed to ask earlier.

3                    ACTING DIRECTOR OLSEN: You know, in  
4           some counties there are, actually.

5                    SENATOR SERINO: Okay.

6                    ACTING DIRECTOR OLSEN: Case  
7           management is a -- you know, I'm glad you  
8           raised that. It's a really, really important  
9           service for somebody who can help people not  
10          only navigate extremely complex systems but  
11          also to help them apply for some of the  
12          benefits or entitlements that they are  
13          eligible for.

14                   So you hear that we have 59 different  
15          area agencies throughout the state, including  
16          two Native American reservations. While they  
17          all meet similar standards, they all do it  
18          very differently. And so I don't have at my  
19          fingertips which ones do and which ones  
20          don't. But some of them absolutely do.

21                   And as a former case manager myself,  
22          in Monroe County, we did have waiting lists  
23          for EISEP 20 years ago when I worked there.  
24          And there were things that we were able to do

1           with the people that might have been on a  
2           waiting list to ensure that they were still  
3           receiving other types of services.

4                   SENATOR SERINO:   Okay.   And finally,  
5           regarding the Long-Term-Care Ombudsman  
6           Program, which relies on dedicated  
7           volunteers, it remains flat in this year's  
8           budget.   What is the coordination between the  
9           LTC Ombudsman office and the Department of  
10          Health?

11                   ACTING DIRECTOR OLSEN:   So you will  
12          remember, Senator, that we completed a  
13          regionalization and reorganization of the  
14          program.   What we were finding at the time  
15          was, you know, counties were struggling,  
16          vendors were struggling to provide the  
17          service based on, you know, the scale.   So we  
18          went through a regionalization proposal that  
19          significantly expanded the resources and  
20          allowed us to make some major improvements in  
21          terms of dedicated staff that didn't occur  
22          prior to, and some of the other tasks that  
23          the ombudsmen have to do.

24                   We do have a new state ombudsman that

1 at some point I'd love for you to meet.

2 But in addition to the funding that  
3 was retained this year that was added last  
4 year, you know, we are working with the  
5 Health Department for another two-year  
6 commitment to have -- the Assisted Living  
7 Reform Act of 2005 has funding dedicated from  
8 the assisted living licenses in it provided  
9 into the budget. There's a couple of other  
10 discretionary federal pots that we provide  
11 additional resources in. So there is a  
12 couple hundred thousand, up to \$600,000 more  
13 than what you might see in the appropriation  
14 line.

15 On the second part, in terms of  
16 working with the Health Department, you know,  
17 we work very closely with the Health  
18 Department in a lot of different areas,  
19 whether it be the AIDS Institute, on chronic  
20 diseases, lowering sodium intake for our  
21 meals and things of that nature, as well as  
22 all the NY Connects and Medicaid-type  
23 long-term-care-related issues.

24 This one is one that we have regained

1 speed in terms of what the value is of the  
2 program in terms of what the state is trying  
3 to accomplish. We have upwards of 800 paid  
4 and highly-trained volunteers that are  
5 visiting facilities every day during the  
6 year, through most of the nursing homes and  
7 enriched housing and assisted living  
8 facilities. They can be the quality eyes and  
9 ears for the state. And so we're in  
10 conversations now on how we can kind of ramp  
11 that up a little bit more.

12 SENATOR SERINO: Yeah, I know that's  
13 such a great program.

14 So the new person that you hired, are  
15 they charged with overseeing the long-term  
16 care facilities?

17 ACTING DIRECTOR OLSEN: No, they're  
18 responsible for overseeing the Long-Term-Care  
19 Ombudsman Program, which --

20 SENATOR SERINO: Just the ombudsman  
21 program?

22 ACTING DIRECTOR OLSEN: -- which is a  
23 federal requirement under the Older Americans  
24 Act that is contained within our office.

1           Yeah.

2                   SENATOR SERINO:   So who is charged  
3           with overseeing the long-term care  
4           facilities?

5                   ACTING DIRECTOR OLSEN:   The Health  
6           Department.

7                   SENATOR SERINO:   The Health  
8           Department, okay.

9                   ACTING DIRECTOR OLSEN:   Which is why  
10          that partnership is so important.

11                   SENATOR SERINO:   Okay.

12                   Okay.   Thank you very much.

13                   ACTING DIRECTOR OLSEN:   Sure.   Thank  
14          you, Senator.

15                   CHAIRWOMAN YOUNG:   Thank you.

16                   CHAIRMAN FARRELL:   Thank you.

17                   Assemblyman DenDekker.

18                   ASSEMBLYMAN DENDEKKER:   Thank you,  
19          Director.   I really appreciate your answering  
20          just a couple quick questions.

21                   ACTING DIRECTOR OLSEN:   Sure.

22                   ASSEMBLYMAN DENDEKKER:   The money for  
23          the NORCs, which is the Naturally Occurring  
24          Retirement Communities, I noticed the funding

1 is there, but the extra \$700,000 that was put  
2 in last year through the Mortgage Insurance  
3 Fund has been cut now. And I don't  
4 understand why we put in \$700,000 last year  
5 to expand services to then just cut it this  
6 year. I'm wondering if you can give me some  
7 information on that.

8 ACTING DIRECTOR OLSEN: I think that  
9 that was a one-time amount that came from the  
10 trust fund that you talked about for 375 for  
11 each of the pots, the Neighborhood NORCs and  
12 the NORCs. So our appropriations remain as  
13 they were last year.

14 As you had raised it, I think it's  
15 going to be a topic of conversation and  
16 something that will play itself out in the  
17 next month and a half.

18 ASSEMBLYMAN DENDEKKER: Yeah, because  
19 it's going to be difficult. If we gave them  
20 that funding to expand the services, and now  
21 we're just going to stop the additional  
22 services that we provided for one year, I  
23 don't think that's a good way to go.

24 I think it's very dangerous to the

1       elderly community that is using those  
2       services now, and who now are going to find  
3       out that the services that I just got are not  
4       going to be available anymore. I think it  
5       was a very bad message to send. I hope we  
6       can reach an agreement on that so that we can  
7       continue the funding somehow.

8                ACTING DIRECTOR OLSEN: Yeah, and I  
9       think that's a good conversation to have.

10              I also think that the modernization  
11       proposal that was passed in last year's bill  
12       will help expand some of the services. So  
13       what's happened over the last 20 years with  
14       the traditional NORC program, and since 2004  
15       with the Neighborhood NORC program, is they  
16       were bid once -- in 1995, where NORC is  
17       concerned, and never again until actually the  
18       RFA that's out now -- and with the  
19       Neighborhood NORCs in 2004.

20              I think one of the things that we  
21       learned -- and this is certainly not  
22       suggesting that any program is not doing what  
23       it was supposed to be doing -- but there were  
24       some areas where I think the intent of what



1       the NORC was -- in terms of a bottom-up  
2       community organizing health and social  
3       services partnership that leveraged  
4       resources, that included older adults in  
5       terms of what services are provided, how  
6       they're provided -- got lost in some places.

7               And so this gave us an opportunity to,  
8       you know, take the demonstration out of it,  
9       because we demonstrated that it worked for  
10      20 years, and memorialize some of the lessons  
11      that we learned over time.

12              So what I'm actually hoping, as the  
13      RFA plays itself out, is that we're going to  
14      see additional services being able to be  
15      provided because of the clarity of the intent  
16      of what the program design is supposed to  
17      look like.

18              ASSEMBLYMAN DENDEKKER: I just will  
19      reiterate that I hope that we find a way to  
20      continue those services. I have a NORC in my  
21      community, it's extremely successful, it's  
22      vibrant, the seniors in that community rely  
23      on the services that they get, it actually  
24      saves us money because it keeps them in their

1           own home.

2                    ACTING DIRECTOR OLSEN:   Which one's in  
3           your district?

4                    ASSEMBLYMAN DENDEKKER:   Northridge/  
5           Southridge.

6                    ACTING DIRECTOR OLSEN:   Okay.   Thank  
7           you.

8                    ASSEMBLYMAN DENDEKKER:   So -- and I'm  
9           just concerned that any cut to the NORC  
10          program would affect those seniors directly,  
11          and I don't want to see that happen.

12                   ACTING DIRECTOR OLSEN:   Okay.   I'll  
13          take that back.

14                   ASSEMBLYMAN DENDEKKER:   The other --  
15          the one thing I want to just touch on quick  
16          is you mentioned about the transportation  
17          issues.

18                   ACTING DIRECTOR OLSEN:   Yes.

19                   ASSEMBLYMAN DENDEKKER:   So I want to  
20          know if I got this right, because I was told  
21          by a couple of entities that they're very  
22          concerned about something that they said was  
23          going to happen, and I want to know if this  
24          is coming from that area.

1           So currently right now they contract  
2           with a transportation company that is picking  
3           up seniors or clients and bringing them in  
4           for their services, whether it be daycare  
5           services or whatever, and they've been told  
6           that now, starting I believe in October, that  
7           there's a Governor's proposal that will now  
8           be like a community way of getting services  
9           and transportation so they wouldn't have the  
10          same company picking them up every day. It  
11          might be a different company, it might be a  
12          different driver, et cetera, et cetera.

13          There's real concern, both in the  
14          elderly community as well as my veteran  
15          community that relies on those services, that  
16          they want the same company and the same  
17          driver to pick them up every day. That's the  
18          way it's always been. They know where they  
19          are, they know them by name, and especially  
20          seniors as well as my veteran population are  
21          extremely concerned about any change that --  
22          I don't know who this person is now, and I  
23          don't feel comfortable getting in that  
24          vehicle. And also the previous company knew

1 exactly where to pick me up, et cetera,  
2 et cetera. Are those concerns --

3 ACTING DIRECTOR OLSEN: That proposal,  
4 I've got to be honest, I'm not aware of.  
5 It's not our proposal.

6 ASSEMBLYMAN DENDEKKER: Okay.

7 ACTING DIRECTOR OLSEN: So I'm not  
8 sure exactly what that might be. I really  
9 don't know. That is not us.

10 ASSEMBLYMAN DENDEKKER: I will want to  
11 find out more about it --

12 ACTING DIRECTOR OLSEN: I think the  
13 big thing that has been raised in this  
14 hearing is the move of our \$1 million of  
15 transportation into CSE. That is a drop in  
16 the bucket in terms of what's provided around  
17 the state in terms of transportation for all  
18 older adults, but that's a decision that's  
19 made by, in the city, the Department for the  
20 Aging, and then in the rest of the state, the  
21 county Offices of the Aging.

22 So this -- the proposal that you  
23 described, and the concern, is not --

24 ASSEMBLYMAN DENDEKKER: Okay. That's

1           what I wanted to know. Thank you very much.

2                   CHAIRMAN FARRELL: Thank you.

3                   ACTING DIRECTOR OLSEN: Thank you.

4                   CHAIRWOMAN YOUNG: Thank you.

5                   Thank you for being here, Director  
6           Olsen.

7                   I have several questions that I just  
8           want to drill down a little bit deeper on a  
9           couple of the topics that we may have touched  
10          on already. And the first has to do with the  
11          discontinuation of the direct care worker and  
12          service provider cost of living adjustment,  
13          COLA.

14                  And as you know, the 2015 enacted  
15          budget provided for a wage increase for  
16          direct care workers and service providers.  
17          In the 2018 Executive Budget, it proposes  
18          that the elimination of funding for direct  
19          care workers and service providers is  
20          warranted. According to the Governor, DOH  
21          and the State Office for the Aging providers  
22          have underutilized this COLA, citing the  
23          complexity of identifying eligible workers.

24                  Direct care workers and service

1 providers have low salaries, as you know, and  
2 would be negatively impacted by this cut.  
3 According to the Governor, elimination of the  
4 COLA would save the state \$2 million in this  
5 fiscal year of 2018.

6 So first of all, can you explain the  
7 primary reasons why the State Office for the  
8 Aging providers have not adopted this COLA  
9 for direct care workers and service  
10 providers? And can you provide the COLA  
11 amount and an estimate of how many direct  
12 care workers and service providers would be  
13 impacted by this discontinuation?

14 ACTING DIRECTOR OLSEN: Yeah, so the  
15 latter two questions are information we're  
16 also gathering, so my staff behind me or  
17 watching on TV are jotting that down, we'll  
18 get that information to you.

19 CHAIRWOMAN YOUNG: When do you --  
20 Director, when do you think we can get it?  
21 Because as you know, the clock is ticking and  
22 we have to pass a state budget on time. So  
23 today's a hearing, but when can we get that  
24 information?

1           ACTING DIRECTOR OLSEN: I think that  
2           what we're trying to figure out among our  
3           counties is why were the titles -- why didn't  
4           the titles match, and why was it difficult to  
5           implement. We are reviewing the vouchers  
6           that are coming in to see who did and who  
7           didn't.

8           Our anecdotal information from our  
9           fiscal department, who talks to the counties,  
10          is that it's been underutilized. So it's  
11          something that I can try to get to you as  
12          quick as we have it, but we need to reach out  
13          to our counties as we have been doing to try  
14          to get what the impact is.

15          CHAIRWOMAN YOUNG: So you're reaching  
16          out to the counties now. But this was passed  
17          in 2015. So has there been outreach, you  
18          know, when you started to see signals that  
19          maybe it was being underutilized?

20          ACTING DIRECTOR OLSEN: The direct  
21          care worker part for our agency, after the  
22          getting out the program instruction, doing a  
23          training, answering questions, et cetera,  
24          took some time to implement. Not all the

1           counties voucher on a monthly basis or even  
2           on a quarterly basis, and so -- but it's --  
3           sometimes by the time you get your reports in  
4           in terms of where there may be an issue and  
5           where there's not an issue, some time has  
6           gone by.

7                   CHAIRWOMAN YOUNG: Thank you. So if  
8           there is a time element here, and it sounds  
9           like there is, if the direct care worker and  
10          the service provider COLA were extended for  
11          one year, would that give you ample time to  
12          reexamine and approve the process for  
13          targeting potential workers?

14                   ACTING DIRECTOR OLSEN: I think if we  
15          understood, you know, why the titles were  
16          difficult to identify and what part of the  
17          program was difficult to implement, that  
18          could provide some guidance.

19                   But again, as I've been listening to  
20          the hearings the last week or two and  
21          certainly this morning, I know this is an  
22          issue that's been raised at multiple areas  
23          and, you know, is of concern to --

24                   CHAIRWOMAN YOUNG: Can I -- I know you



1           care about seniors deeply, I know the  
2           Governor cares deeply about seniors. We want  
3           to deliver the best services possible, and we  
4           want to help the counties. So if there's a  
5           way that you could work this out, I think it  
6           would be very beneficial.

7                     Can you provide details on the savings  
8           for this initiative, specifically for the  
9           state and the localities? So where would the  
10          savings be around the state?

11                    ACTING DIRECTOR OLSEN: Yeah. I  
12          believe we can.

13                    CHAIRWOMAN YOUNG: You can get that  
14          for us too? Okay, that would be great.

15                    Switching gears a little bit, I would  
16          like to discuss the NY Connects. And as you  
17          know, the 2018 fiscal year Executive Budget  
18          proposes a funding shift for NY Connects from  
19          the General Fund to the Medicaid global cap  
20          and the federal Balancing Incentive Program.  
21          So it's called BIP funding?

22                    ACTING DIRECTOR OLSEN: Yes.

23                    CHAIRWOMAN YOUNG: Yup. NY Connects,  
24          as you know -- and I remember when it was

1       established in 2006 -- it's an information  
2       hub that provides access to comprehensive  
3       information and assistance for people of all  
4       ages that require long-term services and  
5       support.

6               So this funding shift would remove NY  
7       Connects from the SOFA budget and place it in  
8       the DOH budget. And according to the  
9       Governor, the shift would create  
10      \$3.35 million in savings for this year.

11              So the questions are these.  
12      Approximately how many individuals are  
13      annually served in the NY Connects program?  
14      And do you see this number increasing in the  
15      future?

16              ACTING DIRECTOR OLSEN: Yes. There  
17      are about 200,000 --

18              CHAIRWOMAN YOUNG: That's a lot.

19              ACTING DIRECTOR OLSEN: -- contacts  
20      this past year. We do expect the volume to  
21      rise. We hope it does rise, and our  
22      sustainability -- the longer-term  
23      sustainability plan that we've constructed  
24      with the Department of Health and our

1           partners there recognizes that.

2                   I don't necessarily look at it  
3           necessarily as a shift but as a  
4           sustainability effort. So the BIP funds run  
5           out, we all knew that those were going to run  
6           out in March of '18. One of the deliverables  
7           of receiving the \$600 million for BIP was to  
8           develop the sustainability plan, which we  
9           have.

10                   As you mentioned, you know, this  
11           program was originally put into place in  
12           2006. It's not really a program anymore,  
13           it's a major systems change and reform. And  
14           in this state fiscal year, the allocation to  
15           the counties and our regional disability  
16           partners is almost \$26 million.

17                   CHAIRWOMAN YOUNG: Thank you.

18                   If there's a decrease in the Medicaid  
19           global cap, however, which very well could  
20           happen, what happens to NY Connects?

21                   ACTING DIRECTOR OLSEN: Well, I think  
22           that's a larger conversation. That's a big  
23           cap. There's priorities under that cap. I  
24           think that this systems reform is also a

1 priority because of what it does, who it does  
2 it to, and what it potentially saves. In  
3 addition to consumers and family members that  
4 utilize the No Wrong Door, about 25 percent  
5 of the contacts are from providers who have  
6 difficult individuals that they're trying to  
7 get served. And, you know, a lot of those  
8 happen on Friday when people are being  
9 discharged from the hospital.

10 So I think that by connecting people  
11 with the right service at the right time in  
12 the right place, helping individuals get  
13 screened for SNAP and veterans' benefits or  
14 Medicaid to be able to do home visits, to  
15 intervene earlier, that that has tremendous  
16 cost savings. And that's really what this  
17 systems reform is designed to do, is to get  
18 people to where they need to get to, to make  
19 sure that we have very strong partnerships  
20 with our specialized hubs in mental health  
21 and substance abuse.

22 So I would hope, and I don't have any  
23 reason to believe otherwise, that this  
24 systems reform is a state priority.

1                   CHAIRWOMAN YOUNG: We have a large  
2                   increase in the aging population in New York.  
3                   Could you talk about what the projections  
4                   are?

5                   ACTING DIRECTOR OLSEN: Yeah. And I'm  
6                   glad you asked that question, because I think  
7                   when we're in the helping profession, we have  
8                   a visual of what we mean by older people.  
9                   And unfortunately it often takes a negative  
10                  turn.

11                  And that's not necessarily what aging  
12                  is globally. There are certainly individuals  
13                  with need, and that's a lot of what our  
14                  agency does, but there's a lot of very  
15                  active, healthy people over the age of 60 in  
16                  the Legislature --

17                  CHAIRWOMAN YOUNG: Now, watch it here.  
18                  (Laughter.)

19                  ACTING DIRECTOR OLSEN: -- in  
20                  Congress, leading businesses -- and I mean  
21                  that with all due respect. I've seen  
22                  positive aging and negative aging in my own  
23                  immediate family and surrounding family.

24                  So at this point we have about

1           3.7 million people over the age of 60. In  
2           the next 15 to 20 years, that will go to  
3           about 5.2 million. This is a population that  
4           is very -- brings a lot of social,  
5           intellectual, and economic capital to their  
6           communities, which is why we're so excited  
7           about the age-friendly livable community  
8           pieces in the Governor's budget that really  
9           recognize how communities ought to be  
10          structured for positive aging regardless of  
11          age.

12                 But it's not -- my point is it's not  
13          all doom and gloom. These are individuals  
14          that are important, and we should see them as  
15          much in the positive instead of in a negative  
16          light.

17                 CHAIRWOMAN YOUNG: Right. We all want  
18          seniors to be able to enjoy healthy  
19          longevity, be able to participate in  
20          communities, stay at home, everything that is  
21          positive for them. But at the same time, the  
22          reality is that with many more seniors in the  
23          population, there's going to be a greater  
24          need for long-term care. Would you agree

1 with that?

2 ACTING DIRECTOR OLSEN: I would agree  
3 with that based on the numbers. I think that  
4 the efforts of not only our agency but some  
5 of our other partners and community partners  
6 are trying to help stave some of that off,  
7 with preventing hospitalizations and  
8 premature discharges, embedding the highest  
9 level of evidence-based interventions in the  
10 community to help control chronic diseases,  
11 fallen injury preventions, ensuring good  
12 nutrition.

13 If you're socially isolated, the  
14 impact that that has on mental health and  
15 physical health, how we can engage healthier  
16 individuals to volunteer and be civically  
17 engaged, all that has a very positive impact  
18 on your longevity. And I think that those  
19 are important strategies for overall  
20 population health.

21 CHAIRWOMAN YOUNG: Thank you. Now,  
22 just a couple more topics.

23 I wanted to explore the changes in the  
24 Community Services for the Elderly, the CSE

1       program. And as you know, this year's budget  
2       proposes to combine \$1.1 million in  
3       transportation funding into the CSE program.  
4       And it was separate this past year, so the  
5       action doesn't result in a decrease in  
6       funding.

7               However, the Governor also proposes  
8       removing 25 percent of the county share  
9       exemption of the \$3.5 million in funding that  
10      has been invested into the CSE program for  
11      the past couple of years. So as you know  
12      very well, this program serves approximately  
13      122,500 people annually in New York State and  
14      supports many service options for the  
15      elderly, and I hear about this program all  
16      the time locally. These options include  
17      transportation and home services, meals, and  
18      access to case management.

19             So many problems could result from  
20      these proposed changes. Moving the  
21      25 percent waiver will shift costs to local  
22      municipalities, which already face  
23      significant pressure because of the property  
24      tax cap. This action may prevent additional



1 CSE funding enacted in past years from being  
2 accepted by local governments, which will  
3 negatively affect the elderly who rely on  
4 these services.

5 The Governor's proposal to consolidate  
6 the \$1.1 million into distinct transportation  
7 funding makes that funding subject to a local  
8 match. And so therefore when you have  
9 localities already under pressure because of  
10 the property tax cap, because of unfunded  
11 mandates and other issues that they face  
12 every single day, we could have a reduction  
13 in services to our most vulnerable  
14 population.

15 So right now there are 15,000 older  
16 adults waiting for community-based aging  
17 services in New York State. Do you have  
18 plans in place to help decrease the number of  
19 older adults on this waiting list?

20 ACTING DIRECTOR OLSEN: Well, I think  
21 that was a similar question that Senator  
22 Serino had raised in terms of other ways that  
23 we assist people who may or may not be on a  
24 waiting list.

1           So there's a laundry list of things  
2           that may not appear in our budget that help  
3           provide additional resources to the county.  
4           So for example, we were notified last week  
5           that we're going to be receiving almost a  
6           2 percent increase in our federal funding,  
7           which is great, because our federal partner  
8           frankly has been --

9           CHAIRWOMAN YOUNG: That is great. We  
10          like to hear that.

11          ACTING DIRECTOR OLSEN: -- has been  
12          the least of our partners in providing  
13          services.

14          And I gave a couple of examples of if  
15          an individual might be on a waiting list, how  
16          we can assist with, you know, getting SNAP  
17          benefits, with volunteers getting an  
18          individual to a senior center so that we can  
19          still provide services.

20          We do a lot of applications and  
21          benefits assistance. We serve 12,000  
22          veterans over the age of 60 in New York  
23          State, so we have a project that we're  
24          working on with DVA to identify those

1 veterans and make sure they get to the  
2 Veterans Administration, because there's a  
3 ton of supports and funding and benefits that  
4 they're eligible for.

5 The Health Department last year and  
6 the year before put out \$15 million in grants  
7 to provide caregiver and respite support, for  
8 example, to the Alzheimer's chapters. Those  
9 Alzheimer's chapters turned around and  
10 contracted with our county Offices for the  
11 Aging --

12 CHAIRWOMAN YOUNG: Like the  
13 Legislature was very supportive of the --

14 ACTING DIRECTOR OLSEN: Absolutely.  
15 Absolutely. We have invested, in my  
16 office -- one of the things I'm really  
17 interested in is there's a respite training  
18 model called REST out of Chicago. And it's a  
19 train-the-trainer type of proposal to train  
20 master trainers to train others to provide  
21 respite and caregiving support.

22 So in just the last couple of weeks  
23 I've met with Commissioner Camara at the  
24 Office of Faith-Based Initiatives, the

1 New York State Office of National Community  
2 Service, to look at how we can begin to not  
3 only reach areas that we potentially haven't  
4 before, but to gain some volunteers. Because  
5 I'd really like to believe, despite what you  
6 hear and watch on TV, that people are  
7 inherently good and want to do good for  
8 others, for the most part. And I think  
9 expanding our relationships with faith  
10 communities, faith leaders, where we could  
11 tap individuals that are within those  
12 structures who want to volunteer, who want to  
13 give back, that there's other ways that we  
14 can provide service. So we're constantly  
15 looking for those opportunities.

16 The enhanced multidisciplinary teams,  
17 part of those dollars will be to be able to  
18 fund things like EISEP and transportation and  
19 CSE. So we have a litany of those types of  
20 things that we are constantly trying to work  
21 on, facilitate, and expand, knowing that  
22 there are needs across the board no matter  
23 who comes up and talks. There's something --  
24 there's needs everywhere. But we don't stop

1           based on the amount of funding that we get.  
2           We're looking for partnerships, and I think  
3           that's what we do very well.

4                   CHAIRWOMAN YOUNG: Thank you. So  
5           we're hopeful that you'll work with the  
6           Legislature to try to mitigate any negative  
7           impact on county budgets so that they will  
8           continue to provide the services that are  
9           necessary.

10                   ACTING DIRECTOR OLSEN: Yeah, and I'm  
11          glad you raised that as well. You know,  
12          you're going to hear more about the shift of  
13          the \$1 million, that money's going to be left  
14          on the table and counties aren't going to be  
15          able to afford it.

16                   You know, Senator, the numbers really  
17          just don't bear that out. The counties have  
18          been a great partner to the Executive and the  
19          Legislature in terms of understanding the  
20          value of these programs and putting resources  
21          there. The counties are way overmatched at  
22          this point to the point where, practically  
23          speaking, a million dollars added to CSE  
24          would result in a match requirement of about

1       \$350,000. Forty-five percent of that 350  
2       would be responsible for New York City, who  
3       is overmatched by \$180 million at least. So  
4       they already are meeting -- they're already  
5       overmatched. The next 10 big counties would  
6       take a large chunk out of that; they're  
7       already overmatched. The overwhelming  
8       majority of counties, and I would say in the  
9       98 percent, are overmatched.

10               CHAIRWOMAN YOUNG: What about little  
11       counties? Poor counties? Rural counties?

12               ACTING DIRECTOR OLSEN: Those as well.

13               CHAIRWOMAN YOUNG: Okay. So Allegany  
14       County, for example?

15               ACTING DIRECTOR OLSEN: Yes. So I  
16       really don't anticipate any additional  
17       financial hit on the counties through that  
18       proposal.

19               CHAIRWOMAN YOUNG: Thank you.

20               And then just one final thing, and I  
21       know it's Department of Health too, but  
22       telehealth services. They can be very  
23       valuable in helping people age in place, stay  
24       at home, avoid costly long-term care, which

1           in many cases people -- I don't hear people  
2           saying "Pick me, pick me, I want to go to the  
3           nursing home tomorrow."

4           ACTING DIRECTOR OLSEN: Right.

5           CHAIRWOMAN YOUNG: They only go if  
6           they have to.

7           So are you involved in telehealth  
8           services? And could you tell us how those  
9           things are going as far as improving people's  
10          lives?

11          ACTING DIRECTOR OLSEN: Yeah, I mean,  
12          I can just tell you -- we're not really all  
13          that involved on the health side in putting  
14          telehealth in.

15          I can tell you, just philosophically,  
16          it's absolutely the future. I've seen some  
17          physicians' practices, for example, up in  
18          Maine who are using not exactly telehealth --  
19          parts of it could be telehealth, but also  
20          even just being able to monitor somebody over  
21          a 24-hour period that doesn't need to be in a  
22          nursing home, and you surround those  
23          individuals with a core support of what could  
24          be family members or volunteers that are able

1 to keep people at home.

2 CHAIRWOMAN YOUNG: Plus technology.

3 ACTING DIRECTOR OLSEN: Right.

4 Absolutely. So, you know, philosophically,  
5 absolutely, we're supportive.

6 CHAIRWOMAN YOUNG: Thank you.

7 ACTING DIRECTOR OLSEN: Sure, thank  
8 you.

9 CHAIRMAN FARRELL: Thank you.

10 Mr. Weprin.

11 ASSEMBLYMAN WEPRIN: Thank you,  
12 Mr. Chairman.

13 Director Olsen, good afternoon.

14 ACTING DIRECTOR OLSEN: How are you.

15 ASSEMBLYMAN WEPRIN: In our great  
16 concern about the \$17 million cut,  
17 \$17 million to Title XX --

18 (Microphone not working.)

19 ACTING DIRECTOR OLSEN: I can actually  
20 hear you the best without that.

21 (Laughter; cross-talk.)

22 ASSEMBLYMAN WEPRIN: -- the  
23 \$17 million cut to Title XX money, and I get  
24 contacted by a number of seniors' advocates



1           who have indicated that that will result in  
2           about a 30 percent closing of senior centers  
3           in New York City.

4                   I have a large senior population. Can  
5           you comment on that cut? And, as you know,  
6           the Democratic Assembly majority is majority  
7           New York City-based, despite the leadership  
8           of our chair, who's north of New York City,  
9           but we certainly in our conference are very  
10          concerned about that cut.

11                   ACTING DIRECTOR OLSEN: Yeah, and I  
12          know it came up this morning and it came up a  
13          little earlier.

14                   You know, again, it is an issue that I  
15          have spoken with Commissioner Poole about. I  
16          think her answer this morning was -- and I  
17          agree with -- that within her structure I  
18          know that they're going to be looking at are  
19          there other ways within their funding streams  
20          to offline some of their funding or voucher  
21          differently.

22                   I think that, you know, this isn't the  
23          last time this issue will come up. So I  
24          think it will -- you know, it's going to be a

1 conversation over the next month and a half.

2 My understanding is, and I'm not an  
3 expert on New York City budgeting, is that  
4 there are -- there is going to be a net plus  
5 for the city in terms of, you know, Medicaid  
6 admin, state takeover of Medicaid admin, some  
7 of the sales tax changes. But if the city  
8 took no action, then certainly those Title XX  
9 funds do support the ongoing operations of  
10 the centers.

11 ASSEMBLYMAN WEPRIN: Yeah, and kind of  
12 as a follow-up on that, I have a very large  
13 immigrant population in my Assembly district,  
14 particularly a large South Asian population  
15 from Bangladesh and India in particular. And  
16 we have a lot of culturally sensitive senior  
17 centers, and I've supported working very  
18 closely with my Councilmember as well as  
19 New York City.

20 For example, we have a senior center  
21 in the Jamaica Muslim Center which mostly  
22 serves a Bangladeshi population, and special  
23 halal food and culturally sensitive  
24 activities, and we also work very closely

1 with India Home for a lot of Indian-based  
2 services and vegetarian food at that  
3 particular senior center. And of course we  
4 have, you know, kosher food at our JASA  
5 Senior Center.

6 What can the state do in particular to  
7 help some of these immigrant seniors who are  
8 particularly afraid of some of the  
9 pronouncements and executive orders that are  
10 coming out of Washington? I know my  
11 Bangladeshi population, and particularly that  
12 particular senior center -- I mentioned that  
13 it's in Jamaica Muslim Center -- are very  
14 concerned about the anti-immigrant -- from  
15 Muslim countries -- Bangladesh is not on that  
16 list, but I spoke at that senior center  
17 recently and, you know, they expect --  
18 they're fearful that Bangladesh will be next.

19 What can the state do to help out with  
20 some of these special immigrant senior  
21 centers and activities and programs? Can the  
22 state, you know, get involved in that?

23 ACTING DIRECTOR OLSEN: You know,  
24 Assemblyman, I think the issue that you're

1           raising is beyond unfortunate. I can't tell  
2           you exactly what we can do.

3                   What I can promise you, though, is  
4           that we should have a follow-up conversation.  
5           Because if there is a role for our agency, if  
6           there's a role for the Office for  
7           New Americans -- which we've started a  
8           partnership with -- you know, I'd love to be  
9           a part of that.

10                   So what I can commit to doing is to  
11           understanding a little bit deeper what some  
12           of the concerns are. I mean, what we're here  
13           to do is help, and that's both at the state  
14           level and certainly our counterparts at the  
15           local level. And that's what we'll do. So  
16           I'll commit to following up with you  
17           personally and getting some folks together  
18           that can express more in terms of -- when you  
19           say what can we do to help, maybe they can  
20           articulate a little bit more of that and  
21           figure out a way for us to be helpful.

22                   ASSEMBLYMAN WEPRIN: Thank you,  
23           Mr. Olsen. I will follow up with you.

24                   Thank you, Mr. Chairman.

1                   ACTING DIRECTOR OLSEN:   Okay.   Thank  
2                   you.

3                   CHAIRMAN FARRELL:   Thank you.  
4                   Senator?

5                   CHAIRWOMAN YOUNG:   Thank you.  
6                   Senator Liz Krueger.

7                   SENATOR KRUEGER:   Hi.

8                   ACTING DIRECTOR OLSEN:   Hi, Senator.

9                   SENATOR KRUEGER:   Good afternoon.

10                  Just following up, now, on a number of  
11                  questions.   You were asked about the shift  
12                  from the federal BIP, Balancing Incentive  
13                  Program, to -- excuse me, shifting from  
14                  General Fund money to the federal BIP  
15                  balancing fund.   How much money would be  
16                  shifted?

17                  ACTING DIRECTOR OLSEN:   So that's --  
18                  let me clarify that.   So the General Fund  
19                  allocation for the No Wrong Door is  
20                  \$3.35 million.   When we received the  
21                  Balancing Incentive grant, that was a  
22                  \$500 million -- almost a \$600 million grant.  
23                  Not all of it was for the No Wrong Door, but  
24                  that was one of the three components that had

1 to be implemented.

2 So we've been using BIP money, and a  
3 substantial amount of BIP money, to meet the  
4 deliverables of BIP, which is to expand and  
5 enhance it statewide. We didn't have No  
6 Wrong Door in New York City, we do now.  
7 There are a couple of upstate counties, but  
8 then there's additional tasks and  
9 deliverables that have to go along with that.

10 We built a statewide reporting system. We  
11 enhanced a statewide resource directory --

12 SENATOR KRUEGER: No, that's okay.  
13 Skip that. Just -- what are we not paying  
14 for anymore with BIP because we're going to  
15 use this BIP money instead of our own money?

16 ACTING DIRECTOR OLSEN: So the BIP  
17 money runs out in March '18 --

18 SENATOR KRUEGER: Yeah.

19 ACTING DIRECTOR OLSEN: -- which was  
20 the plan. Part of our sustainability plan  
21 was how do we sustain it after those BIP  
22 dollars go. And so the sustainability  
23 dollars -- so we will continue to use BIP  
24 funding through March 31 of '18, and then

1           there's dollars to take us the rest of the  
2           fiscal year through the global Medicaid cap.

3                     SENATOR KRUEGER: Thank you. Okay.

4                     In the Governor's Article VII language  
5           there is a requirement for banks to stop  
6           financial transactions if it believes that  
7           vulnerable adults' assets may be at risk.  
8           Explain to me what will happen, exactly, at  
9           that point. So a bank determines: We think  
10          someone's trying to take this elderly  
11          person's money out of their account, so they  
12          say, No, we won't do it. Then what do they  
13          do?

14                    ACTING DIRECTOR OLSEN: So I think,  
15          Senator, that's a question for our Department  
16          of Financial Services friends. That's  
17          legislation that's under their jurisdiction.

18                    I can tell you, from our perspective,  
19          that the conversation on that language has  
20          just begun, so I don't have an answer to how  
21          that's going to be operationalized or  
22          implemented at this point.

23                    SENATOR KRUEGER: But would you agree  
24          that we need that language operationalized

1           before we complete the budget process?

2                   ACTING DIRECTOR OLSEN: I would agree  
3           that if we're looking for banks to play a  
4           more proactive role in good faith to stop the  
5           draining of resources when it potentially is  
6           identified, that that's an important policy  
7           for New York State.

8                   SENATOR KRUEGER: And I think the  
9           language is critical, because I've  
10          experienced both sides of the story -- where  
11          banks don't, and I think perhaps they should,  
12          and times when banks do and they absolutely  
13          should not, and they disrespect the rights of  
14          senior citizens to make decisions over their  
15          own money.

16                   ACTING DIRECTOR OLSEN: Right. Which  
17          is why I don't want to comment on how that's  
18          written, because there's lots of --

19                   SENATOR KRUEGER: But you and I agree  
20          it's important how that language is written.

21                   ACTING DIRECTOR OLSEN: Yes. Yes.

22                   SENATOR KRUEGER: Okay. And I would  
23          argue that needs to be carefully written and  
24          seen before vague language is passed in an



1 Article VII bill. Okay.

2 The number-one issue I get from  
3 seniors that I have no answers for: "I'm  
4 looking for a job, and no one will hire me.  
5 I need the job because I can't afford to  
6 continue to live in my home without a  
7 supplemental wage because I'm not making it  
8 on Social Security and savings." And I won't  
9 say it's the number-one question I get; the  
10 number-one question is "Help, I'm being  
11 evicted from my home because I can't afford  
12 it."

13 So -- but this Part 2 is, Help me find  
14 a job. I can't find any programs in the City  
15 of New York that actually operate and try to  
16 assist seniors to move back into the labor  
17 market. Do you have a secret stash?

18 ACTING DIRECTOR OLSEN: There isn't a  
19 secret stash, but there is a program that  
20 I'll connect you to. It's called Title V. I  
21 know it didn't come up when the Commissioner  
22 of Labor was here, but we work very closely  
23 with the Department of Labor in terms of --  
24 we have a certain number of slots in New York

1       State. So there are some national sponsors,  
2       like NCOA, AARP, and some others, that  
3       operate 80 percent of the state's slots. Our  
4       office is responsible for about 20 percent of  
5       the slots in the state. And these are for  
6       individuals who are age 55 and older who are  
7       re-entering or having trouble with jobs, so  
8       it's skills development and so on.

9               We have some good relationships with  
10       the One-Stop centers, but I can definitely  
11       connect you with our city Title V program.

12              SENATOR KRUEGER: Okay. Because in my  
13       experience, people who are supposed to have  
14       these programs tell you there's nothing they  
15       can do and there's no more people they --

16              ACTING DIRECTOR OLSEN: Okay.

17              SENATOR KRUEGER: -- can even talk to.  
18       All right? Thank you.

19              ACTING DIRECTOR OLSEN: Yes. Thank  
20       you.

21              CHAIRMAN FARRELL: Thank you.  
22       That's it.

23              SENATOR KRUEGER: That's it.

24              ACTING DIRECTOR OLSEN: Great.

1                   Well, hey, thanks for hanging with me.

2                   I appreciate that.

3                   CHAIRMAN FARRELL: Thank you.

4                   CHAIRWOMAN YOUNG: Thank you,  
5                   Director, for coming. And thank you for  
6                   everything you do for seniors.

7                   ACTING DIRECTOR OLSEN: Thank you.

8                   CHAIRMAN FARRELL: New York State  
9                   Veterans Council, Kirby Hannon, legislative  
10                  coordinator, the VFW; Linda McKinnis,  
11                  legislative coordinator, Disabled American  
12                  Veterans; John Lewis, legislative committee  
13                  chair, VFW; Bob Becker, legislative  
14                  coordinator, New York State Veterans Council.

15                  And they have 10 minutes. Somebody on  
16                  my staff has a good sense of humor.

17                  (Laughter.)

18                  MR. BECKER: Good afternoon, sitting  
19                  chairs and members of the Human Service  
20                  Budget Subcommittee. I am Bob Becker. I'm a  
21                  retired Marine and legislative chairman for  
22                  the New York State Council of Veterans  
23                  Organizations.

24                  I'd like to thank you for the

1 opportunity to bring the veterans issues  
2 identified by the New York Veterans Council  
3 before you for consideration. The New York  
4 Veterans Council consists of about 25  
5 veterans associations, and we meet monthly to  
6 discuss the key issues of importance to  
7 veterans. It is the 25 member organizations  
8 and associations that have ultimately  
9 developed our budget request today. These  
10 requests are to strengthen and sustain  
11 critical programs that have proven essential  
12 to caring for the sometimes very unique needs  
13 of veterans.

14 With me today are fellow veterans  
15 Kirby Hannan, John Lewis, Linda McKinnis and  
16 Scott Westcott. Kirby will frame the issues.

17 Kirby?

18 MR. HANNAN: Thank you. You probably  
19 have our testimony in front of you, so I'm  
20 not going to read it to you. I'm going to  
21 kind of run through this quickly. I'm the  
22 volunteer legislative coordinator for the  
23 VFW, as Chairman Farrell, a veteran himself,  
24 has said.

1           The Veterans Defense Program is for  
2           veterans who get themselves into serious  
3           trouble with the law, as distinguished from  
4           veterans treatment courts, where it tends to  
5           be more of a lower level, perhaps a  
6           misdemeanor. The program's working. You're  
7           going to hear more about it from Scott  
8           Westcott. But the program is working, and my  
9           job here is to try to show you some  
10          interdependency between these four things  
11          that we want to talk about, even though they  
12          don't appear related. All right?

13                 That's a \$1.4 million ask, but it can  
14          save a lot of incarceration time at the other  
15          end, and we can demonstrate that.

16                 The Veterans Service Officer funding.  
17          Linda McKinnis is both a veteran service  
18          officer and a peer-to-peer mentor, a  
19          certified peer-to-peer mentor. What she does  
20          is she's an ombudsman, or an ombudswoman.  
21          And what she does is basically act as a  
22          traffic cop. She fields what's going on at  
23          the post level. She interfaces with the  
24          Joseph Dwyer Peer-to-Peer Program. There's

1           about 15 of them out there, and we'd like 15  
2           more. We'll put them in spots where they're  
3           not there now. All right?

4                     The Joseph Dwyer Peer-to-Peer, you  
5           funded that -- and by the way, you funded the  
6           Veterans Defense Program to the tune of  
7           \$500,000 for the last couple of years. So we  
8           want to thank you very much for that. That's  
9           made a big difference. And thank you.

10                    You've also funded the Joseph Dwyer  
11           Peer-to-Peer. And I believe that's  
12           somewheres in the neighborhood of \$300,000  
13           for the last probably five or six years.  
14           Highly successful program. And Linda can  
15           actually get into a little bit of detail.  
16           She's done some back-of-the-envelope figuring  
17           on how it's working out, how it's getting  
18           distributed. And she can also tell you that  
19           at the post level, this is where the  
20           mentoring occurs.

21                    So when I mention the Veterans  
22           Treatment Court and I talk about the million  
23           dollars that the Governor has set aside for  
24           mentoring in the Peer-to-Peer -- he calls it

1 peer mentoring -- that's great. But we want  
2 to make sure that that mentoring has a feeder  
3 line from the mentoring that's actually going  
4 on in an anonymous fashion at the post level.  
5 You know, in other words, if it's just tucked  
6 away in the court, then we don't know whether  
7 we've got people like Linda, John, and  
8 everybody around here who's actually talking  
9 to the vet, you know, and getting them where  
10 they need to be. Sometimes coaching them  
11 where they need to be.

12 All right, so having said that, what  
13 are we talking about charitable gaming for in  
14 this -- what am I saying here? Well, what  
15 I'm saying is that all these programs have  
16 been in place for the last 50 years. And  
17 charitable gaming in many, many, many  
18 posts -- most -- is the sole source of  
19 funding for all of these things that we're  
20 asking for additional money for now.

21 So I'm going to suggest to you that --  
22 and by the way, the revenue has dropped  
23 \$54 million, the charitable gaming revenue  
24 has dropped \$54 million in the last 15 years.

1           And that basically is why we're here asking  
2           you for money. We did an RSL and self-funded  
3           long before this.

4                       So what we want -- the Governor  
5           mentions modernization of charitable gaming.  
6           We hope that we can follow up with you folks  
7           and give you some specific proposals that are  
8           actually already sponsored. Assemblyman  
9           Pretlow, Assemblyman Cusick, Senator  
10          Bonacic -- there's things that have been  
11          going on in the Legislature for a while.

12                      We would hope that you could make that  
13          budget process a little more specific with  
14          the language that largely comes from those  
15          two bills that we talk about. One is an  
16          enhanced bell jar machine, which we already  
17          have in the posts, and the other is charity  
18          poker.

19                      So there's my pitch. They all  
20          interrelate. And I'd like to turn it over to  
21          Scott Westcott for a little bit more about  
22          the Veterans Defense Program.

23                      MR. WESTCOTT: Good afternoon. My  
24          name is Scott Westcott. I'm a Marine



1           veteran.

2                   I'd also like to tell you that I'm  
3           extremely supportive of the Veterans Defense  
4           Program, or the VDP, as we call it. The VDP  
5           has stepped in and helped a number of our  
6           most vulnerable veterans who have suffered  
7           from PTSD, traumatic stress or stress-related  
8           disorders. Currently 152,000 veterans in  
9           New York State are estimated to have mental  
10          health problems related to their service.  
11          And unfortunately, less than half of those  
12          are getting assistance with that.

13                   I can tell you firsthand that some of  
14          the VDP provides a second chance for veterans  
15          who have lost their way, either through  
16          criminal behavior or what results in some  
17          civilian court interaction. I can relate  
18          stories of depression so severe that one  
19          service member contemplated suicide as he was  
20          traveling around with a gun in his car.

21                   The Veterans Defense lawyers and case  
22          managers help the courts fully realize that  
23          veteran's circumstances and understanding, so  
24          that they can provide a more tailored

1 sentence and a better disposition for him and  
2 for his family.

3 Last year, for the second time, you  
4 folks in the Legislature were able to provide  
5 \$500,000 of funding for the VDP. Today we're  
6 here asking for an additional \$950,000. This  
7 additional funding would go toward a  
8 downstate office and provide four family  
9 court and criminal court defense attorneys  
10 and a related support staff member. It would  
11 also increase our Batavia office, which is  
12 overburdened, with one more attorney and an  
13 additional staff member.

14 I'd like to turn it over now to John  
15 Lewis for further comments.

16 MR. LEWIS: Yes, good afternoon. I am  
17 John Lewis. I'm the legislative chair for  
18 the VFW Department of New York and a 22-year  
19 Navy veteran. I am also a post commander.  
20 And I'm here to talk about the role of the  
21 accredited Veteran Service Officers and to  
22 explain why we are asking for \$1 million in  
23 order to bolster our service officers.

24 Too often the Veterans Defense Program

1 is the first point of assistance contact for  
2 the returning veteran. Ideally, it should  
3 come last. The job of the accredited Veteran  
4 Service Officer is to act as an ombudsman,  
5 creating synergy with the highly successful  
6 Veterans Defense Program and with an equally  
7 successful peer-to-peer mentoring process at  
8 the post level.

9 The Veteran Service Officer submits  
10 claims based on the veterans service  
11 connection and assists with coordination to  
12 other veteran service agency resources in  
13 each county. Peer mentoring in the post  
14 identifies the needs during anonymous  
15 sessions. Anonymous mentoring must continue  
16 in the post, because it works.

17 There are approximately 15 active  
18 accredited Veterans Service Officers in place  
19 in organizations such as the VFW, Disabled  
20 American Veterans, the American Legion,  
21 amongst others. Funding for these officers  
22 comes from VSOs themselves, and the state.  
23 Our request would double that cadre of  
24 officers and create ground-level, properly

1       staffed, geographically diverse service  
2       officer placement. It would be in a manner  
3       completely compatible with existing veteran  
4       service agencies in each county. The funds  
5       would be budgeted and disbursed by the  
6       Division of Veterans Affairs.

7               Linda?

8               MS. MCKINNIS: Good afternoon,  
9       everyone. My name is Linda McKinnis. I am  
10      an Army veteran and, as my comrades have  
11      said, I am a peer officer. I am also an  
12      advocate for veterans services, and I am an  
13      ombudswoman.

14              I'm here today to talk about two  
15      issues. Again, my comrade here talked about  
16      the VSOs. I am also a VSO in the Rensselaer  
17      area, so I take care of all my Troy areas and  
18      every city within the Troy area. So I do  
19      take care of my veterans.

20              As that individual and that VSO, I go  
21      out of my way to be an advocate. So what I  
22      mean by that is I actually do the benefits, I  
23      actually try to get whatever DD214 forms that  
24      they need. I make sure that whatever

1 resources are in that community, these people  
2 get their resources, and also link them up  
3 with the nearest VA system. If for any  
4 reason they have any problems with the VA  
5 system, again, this is where I come in as  
6 being an advocate.

7 As far as the Peer-to-Peer Program is  
8 concerned, again, the Peer-to-Peer, which is  
9 called now the Joseph Dwyer program, is a  
10 successful program. How do I know? I've  
11 been through the program myself. You  
12 understand? When I first came here, I  
13 suffered with all the ailments of being out  
14 of the military, and I happened to get into  
15 the Dwyer program, and they helped me  
16 significantly. So I know that the outcome is  
17 greater. And a lot of men and women that  
18 have gone through this program, they have a  
19 successful life. I am one of those  
20 successful stories.

21 At this moment there has been budgeted  
22 \$300,000 for this program. Well, at this  
23 moment there's 14 counties -- if you do the  
24 math, there's 14 counties that money has to

1       be distributed to. If you look at the math  
2       on that, that's really not much funding for  
3       all 14 of these counties. And I'm asking,  
4       along with this, that \$1 million also be  
5       advocated to these counties as far as the  
6       whole budget, so that these 14 counties can  
7       get these resources that they need.

8               These veterans need help. And the  
9       only way to get these veterans is a veteran  
10      must reach another veteran. Okay? With this  
11      money, we not only service the veterans, but  
12      we get them out of the house. And you know  
13      for sure that one of our problems that we  
14      have with veterans is isolation and  
15      depression. You know what I'm saying? So  
16      with the Peer-to-Peer program, what we do is  
17      we actually go in, we talk with the veterans,  
18      we see what their needs are, we see how we  
19      can service the need, we get them out of the  
20      house, we get them to do volunteer services,  
21      we get them to do activities that they  
22      normally wouldn't do. But that's okay,  
23      because it gets them out and doing something  
24      instead of being at home.

1           If you haven't noticed lately, the  
2           count for suicide has gone down from 22 down  
3           to 20. I do give credit to the VA system,  
4           but also to the Peer-to-Peer program because  
5           we're going out there, reaching these  
6           veterans, and making sure that they're not  
7           doing -- committing suicide and also not  
8           being a repeat offender in the court systems  
9           also.

10           We also, as the Peer-to-Peer program,  
11           work with the VDP program. One of my  
12           questions that I have is when the VDP program  
13           comes along and when we do this, one of the  
14           my questions is, where do we get these  
15           mentors? Well, where do we get these  
16           mentors? From the Peer-to-Peer program.  
17           Okay? So the Peer-to-Peer program works  
18           alongside with the VDP program so that we can  
19           get these veterans back into society, we get  
20           the resources that they need and do what we  
21           can over a period of time, and hopefully you  
22           will have better successful stories with  
23           these veterans.

24           ASSEMBLYMAN OAKS: Thank you.

1                   CHAIRMAN FARRELL: Thank you very  
2 much.

3                   Questions?

4                   CHAIRWOMAN YOUNG: Any questions?

5                   CHAIRMAN FARRELL: Yes, Mr. DenDekker.

6                   ASSEMBLYMAN DENDEKKER: Thank you,  
7 Mr. Chairman.

8                   First of all, thank you all for your  
9 service, and I greatly appreciate that.

10                  I have to tell you I am a little  
11 ashamed and embarrassed that there is nobody  
12 here from the Governor's office for us to  
13 talk about the veterans budget. Because as  
14 you have identified, there is a great need  
15 for increases in funding. However, the  
16 proposed budget that the Governor has made  
17 has decreased overall funding by 1 percent.  
18 It has cut all of the money that you just  
19 talked about. The New York State Veterans  
20 Defenders Program has been completely cut.  
21 Helmets to Hard Hats. The funding to Vietnam  
22 Veterans of America. The Veterans Medical  
23 Center. Warriors Salute. All those programs  
24 have been completely zeroed out. And I have



1       nobody to sit here in front of me to ask them  
2       why they did that and why they make proposals  
3       in the budget to do things that we would like  
4       to know how they're being handled.

5               So for example, we put in \$250,000 for  
6       the burial of indigent veterans two years  
7       ago. None of that money was ever disbursed.  
8       There was no mechanism that was ever put in  
9       place for the congressionally chartered  
10      organizations to get access to the funds.

11             And now, in this proposal, he says,  
12      oh, but I'm putting \$100,000 into the burial  
13      services of indigent veterans. But there was  
14      no mechanism on the 250; none of it was ever  
15      disbursed. Now he's lowered it to 100. So  
16      did he cut \$150,000? Because he's never  
17      disbursed a dime of the money.

18             So I have no idea, because there's no  
19      one on the other side of the table sitting  
20      there that can answer all these questions  
21      that I have about the veterans budget. And  
22      when you all come to me on a regular basis  
23      and explain to me how those programs are  
24      successful and how they're helping veterans

1           and how we need more money, unfortunately I  
2           don't have an answer for you.

3                       So on the first hand, I want to  
4           apologize that there is nobody here and that  
5           I can't answer the questions. I can only  
6           read all this off a piece of paper that the  
7           Governor has given us in a proposed budget.  
8           And I think it's shameful, shameful that  
9           there's nobody here from the Governor's  
10          office representing this division of the  
11          budget. I think it shows disrespect to the  
12          approximately 900,000 veterans -- 5 percent  
13          of the total population of the State of  
14          New York. There's no one here to answer to  
15          them, there's no one here to give a question,  
16          to explain. There's just no information at  
17          all. And I do apologize. And I think it's  
18          total disrespect of our veterans that there's  
19          no one here to answer those questions.

20                      I can tell you the members of the  
21          Veterans Committee are dedicated to trying to  
22          find every penny we can to bring more  
23          services to veterans, direct services to  
24          veterans. And the problem that we have with

1       the veterans is they fall over so many  
2       different areas of the budget. Some of it is  
3       in mental health, some of it is in aging,  
4       some of it is in housing. So because it's so  
5       spread out, that's why we would require  
6       someone from the Governor's office to  
7       specifically talk about how all of this is  
8       going to work for our veterans and how they  
9       can access those services.

10               I would love for you, if you can, just  
11       to spend a minute and just explain to me how  
12       the Dwyer Peer-to-Peer Program would be  
13       expanded if we gave an additional million  
14       dollars. And if you could start that, that  
15       would be helpful.

16               MR. HANNAN: Can I just -- I think  
17       Linda's got the -- and I would definitely not  
18       want to steal her thunder. But she has the  
19       grassroots side of this.

20               From the other side of it, from kind  
21       of like your side of it, looking down at how  
22       services are delivered, the one thing to  
23       remember is that any monies that come into  
24       the veteran community, particularly in the

1       Peer-to-Peer Program, save the government  
2       money. All right? Because it's counseling  
3       that would have to be given by other  
4       agencies. It's a Department of Health  
5       saving, it's a Labor Department saving, it  
6       just goes on and on and on.

7                You know, but Peer-to-Peer  
8       specifically? Yes, it should be funded. And  
9       the million dollars, I think -- in the first  
10      instance, going into the court system, I  
11      don't know how that would work. But if we  
12      had a million dollars going into  
13      Peer-to-Peer, it should go to the counties,  
14      it should be distributed by the Division of  
15      Veterans Affairs. Budget it however you  
16      want, but I would make it a -- go into a  
17      sensitive agency where they know where the  
18      Peer-to-Peer mentoring needs to be bolstered.  
19      And I think that's the Division of Veterans  
20      Affairs. So I hope I answered your question.

21               ASSEMBLYMAN DENDEKKER: I don't know  
22      how we're going to get the attention of the  
23      Governor, and we had talked about this.  
24      Maybe it's time for some of the 900,000

1           veterans to come over to the Capitol one day  
2           and explain to the Governor that not only are  
3           you here, but that you also vote and you  
4           would like to have some more services and  
5           you'd like to at least have a representative  
6           sitting here.

7                     I know the Director of Veterans  
8           Services has been going around the state  
9           doing budget presentations for the Governor.  
10          It would be nice if he was here in front of  
11          us so we could ask him how we're going to  
12          move this budget going forward and how we're  
13          going to be able to bring more services  
14          directly to our veterans. If you have  
15          anything else to add --

16                    MR. HANNAN: I hope your office is on  
17          the third floor, because we'll jam the  
18          elevators for you.

19                    (Laughter.)

20                    ASSEMBLYMAN DENDEKKER: You know where  
21          my office is, because you were there  
22          yesterday.

23                    (Laughter.)

24                    MR. HANNAN: I know. I know where

1           your office is. I'm just kidding.

2           ASSEMBLYMAN DENDEKKER: And as you ask  
3           for more money, I tried to explain to you --

4           MR. HANNAN: You did. You did a hell  
5           of a job.

6           ASSEMBLYMAN DENDEKKER: -- I have no  
7           idea how we're going to get it --

8           MR. HANNAN: And we appreciate it.  
9           Thank you.

10          ASSEMBLYMAN DENDEKKER: -- and we're  
11          trying. That's all I can tell you.

12          MR. LEWIS: And we thank you for your  
13          steadfast advocacy. We really appreciate  
14          that, sir.

15          ASSEMBLYMAN DENDEKKER: Well, thank  
16          you all for coming. And again --

17          MR. LEWIS: And we will continue to  
18          fight. It won't be our first fight.

19          ASSEMBLYMAN DENDEKKER: -- thank you  
20          for your service.

21          Mr. Chairman, I don't know if anybody  
22          else has any question, but thank you.

23          CHAIRMAN FARRELL: Senator?

24          CHAIRWOMAN YOUNG: Yes.

1                   Senator Velmanette Montgomery.

2                   SENATOR MONTGOMERY: Yes, just very  
3 quickly. Thank you for your service to each  
4 and every one of you.

5                   PANEL MEMBERS: Thank you.

6                   SENATOR MONTGOMERY: And my question  
7 is -- I think I've asked you this before, so  
8 I just keep asking my same question every  
9 time I see you. You know, I have a VSO  
10 organization. And it's Black Vets for Social  
11 Justice. I don't know how connected you are  
12 to them, they are to you. So that's one  
13 question.

14                   And what -- how much of this activity  
15 could be also part of what they offer  
16 veterans in Brooklyn, at least, and in the  
17 city. And also a very, very large number of  
18 the homeless men, especially, that I've met  
19 in my district -- and I have several very  
20 large homeless shelters for men  
21 specifically -- so many of them are veterans.

22                   So are you talking to us about doing  
23 something targeting housing for veterans as  
24 well?

1                   MS. MCKINNIS: As far as the  
2                   homelessness for veterans, upstate does have  
3                   an issue, just like downstate does also. And  
4                   it's shameful -- don't get me wrong, it is  
5                   shameful that our veterans, they come home  
6                   and they don't have a place to live and they  
7                   end up in the streets. And it's for a long  
8                   period of time until someone discovers that  
9                   they are a veteran.

10                  I can tell by experience, because I've  
11                  been there and done that and I've lived on  
12                  the streets myself. But because I had people  
13                  that helped me, which was a good thing, what  
14                  I would say is that most of these men that  
15                  are homeless, have them get into a program.  
16                  The VA system now has a homeless department  
17                  in the VA system. I know the Albany Stratton  
18                  one does now. They have a homeless agency in  
19                  their building, and they will help you right  
20                  on the spot as soon as you come there. Not  
21                  only will they help you with some type of  
22                  housing you for the moment, but they will  
23                  also help you with the basics. Okay?

24                  They also have a coordinator there



1           that can help you if you have legal problems.  
2           So if you have whatever legal problems, they  
3           have somebody in the VA office, again, that  
4           can help you. If you need counseling, either  
5           you can go to the VA -- and that's your  
6           choice if you choose to, okay, or if not, you  
7           can go through the Dwyer program, okay, which  
8           will also do that.

9                     If these veterans end up staying in a  
10           certain community or county or such, again,  
11           the 14 counties, wherever he or she may go,  
12           okay, there's a Dwyer program there. All  
13           they would have to do is just link up with  
14           them, and the representative will walk them  
15           through everything, whether it be  
16           unemployment, whether it be housing, whether  
17           it be trying to just get around in their  
18           community. That's what the Peer-to-Peer  
19           Program is. It's not just, you know, we sit  
20           around and we talk. No, it's trying to  
21           figure out what do you need at this moment.  
22           And then not only what do you need, they set  
23           goals for you so you can get to that  
24           well-being of your life so you don't have to

1 turn back and be homeless again.

2 MR. LEWIS: If I may add --

3 MR. HANNAN: Candidly, the 14 counties  
4 are mostly upstate.

5 MR. LEWIS: Yeah. You know, if I may  
6 add --

7 SENATOR MONTGOMERY: That's what I  
8 thought, and I wanted to --

9 MR. LEWIS: If I may add, the  
10 underlying fundamental issue must be  
11 addressed of why these folks, why these  
12 homeless veterans are homeless. And I can  
13 speak for the VFW. We only have two  
14 accredited Veteran Service Officers, and  
15 they're located out of Buffalo. We lost our  
16 Veteran Service Officer here in Albany, and  
17 she covered all the way down in the New York  
18 City area. And that veteran service officer  
19 is now not down and available into the city  
20 to help and assist with some of those claims.

21 So we're happy to partner with and  
22 work with any agency in the State of New York  
23 in filing claims and holding hands, if need  
24 be, to ensure that these veterans are made

1 whole once again.

2 MR. HANNAN: And right now those VSOs  
3 are actually being paid out of our service  
4 officer funding. That's self-funded. We do  
5 get some help from the state, but it's a  
6 complicated application process and we're  
7 still kind of waiting on stuff that happened  
8 three years ago. So -- and I'm not  
9 complaining, you know --

10 MR. LEWIS: I am.

11 (Laughter.)

12 SENATOR MONTGOMERY: I join my  
13 colleague in saying this is embarrassing and  
14 shameful. And I just wanted you to know that  
15 I will be asking to what extent the  
16 organization certainly that's in my district  
17 and serves a lot of the people down there,  
18 how do they -- are they able to join with you  
19 in trying to get more funding. I appreciate  
20 the defense project that you're talking  
21 about.

22 And just as an aside, I have a brother  
23 who is a veteran. He lives in Texas. I sent  
24 him some of your information. He was ever so

1 grateful, because the information for  
2 veterans -- wherever they are, it's very  
3 important that they have the information. So  
4 thank you very much for what you do.

5 MR. BECKER: I'll just add one thing.  
6 So our veterans don't have time to complain  
7 about the state. We have to take care of  
8 veterans, the ones that really need it.

9 SENATOR MONTGOMERY: I understand.

10 MR. BECKER: That's our job today.  
11 That's what we're doing, we're asking for  
12 some help.

13 SENATOR MONTGOMERY: Thank you. I  
14 understand.

15 CHAIRMAN FARRELL: Assemblywoman  
16 Lupardo.

17 ASSEMBLYWOMAN LUPARDO: Yeah, I don't  
18 have a question, I just wanted to thank you.  
19 Thank you for your service, but also thank  
20 you for taking the time to come up and make  
21 this very impassioned plea. You have a very  
22 strong advocate here. And all of my  
23 colleagues are very supportive.

24 It's really astonishing what you are

1       proposing to deliver for the amount of money  
2       you're asking for. And I'm just thinking  
3       what more you could do with even twice that  
4       amount. So I'm personally committed to  
5       helping the cause, and I'm sure the rest of  
6       us will try as well. So thank you very much.

7               PANEL MEMBERS: Thank you, ma'am.

8               CHAIRWOMAN YOUNG: Thank you. And I  
9       too want to give my personal regards and  
10      deepest gratitude to all of you and all of  
11      the veterans that you represent across the  
12      entire state. You are the best of the best.  
13      We owe you just the deepest debt of gratitude  
14      for everything that you've done to protect  
15      our freedom.

16              And I'm glad that you spoke about very  
17      important programs -- for example, our  
18      Peer-to-Peer Program that the Senate started  
19      several years ago. I mean, there's really  
20      good things going on. But there's a lot more  
21      work to do. And in the Senate, in our  
22      conference, we're very committed to  
23      continuing to support our veterans. So I  
24      just want to let you know that.

1                   MR. BECKER: We're very aware of that,  
2           Senator.

3                   PANEL MEMBERS: Thank you.

4                   CHAIRWOMAN YOUNG: Thank you so much  
5           for your testimony.

6                   CHAIRMAN FARRELL: Thank you very  
7           much.

8                   MR. HANNAN: Thank you, sir.

9                   CHAIRMAN FARRELL: David McNally,  
10          director of governmental relations, AARP.

11                   MR. McNALLY: Good afternoon.

12                   CHAIRWOMAN YOUNG: Good afternoon.

13                   CHAIRMAN FARRELL: Good afternoon,  
14          sir.

15                   MR. McNALLY: I have provided you  
16          riveting, lengthy testimony which I'm not  
17          reading today, but I'm sure you'll enjoy  
18          reading it. I have a brief statement to  
19          make, however, summarizing our  
20          recommendations and concerns.

21                   Good afternoon, Senator Young,  
22          Assemblyman Farrell, and members of the  
23          committee. My name is David McNally and I'm  
24          the director of government affairs and

1       advocacy for AARP New York. I would like to  
2       submit the following testimony regarding the  
3       human services portion of the Executive  
4       Budget and issues facing older New Yorkers  
5       and their families.

6               Unfortunately, the Executive Budget  
7       would require the discretionary \$27 million  
8       to support childcare subsidy costs, enabling  
9       the state to maintain the current level of  
10      childcare subsidies while reducing the  
11      General Fund cost for this program. It is  
12      our understanding that the hardest hit by  
13      this shortsighted budget proposal would be  
14      New York City's senior centers. I've heard a  
15      lot of talk about it today; I'm sure you're  
16      well aware of the issue. So I won't go into  
17      any further detail, except that our  
18      recommendation is the Legislature should  
19      reject the Governor's change to Title XX and  
20      allow discretionary spending to continue and  
21      be allowed to fund much-needed senior center  
22      services.

23              I'd now like to talk a little bit  
24      about help for the middle class. The

1 Governor's fiscal year 2017-2018 Executive  
2 Budget does not provide sufficient funding  
3 for the New York State Office for the Aging's  
4 non-Medicaid-funded home and community based  
5 programs for older persons and their family  
6 caregivers. These programs are vital for  
7 keeping older persons out of expensive  
8 taxpayer-funded institutions and are a great  
9 value to the millions of caregivers in our  
10 state as well as those receiving the care.

11           Unfortunately, there is a statewide  
12 waiting list. Today I heard the number  
13 15,000; yesterday I heard the number 17,000.  
14 It's probably much more than that. These are  
15 people seeking non-Medicaid-funded home and  
16 community-based services through programs  
17 such as the Expanded In-Home Services for the  
18 Elderly program, senior transportation, and  
19 home-delivered meals.

20           This may sound familiar to you because  
21 we come every year and have this discussion  
22 about this issue. There are 500 New Yorkers  
23 turning 65 every day. These lists continue  
24 to grow, and the costs continue to grow. We



1       have to get ahead of this problem. We have  
2       to address these needs to keep the middle  
3       class in the middle class, in their homes and  
4       out of expensive taxpayer-funded  
5       institutional care.

6               And this year we're asking that you  
7       find \$25 million to invest in non-Medicaid  
8       home and community-based care that would not  
9       only assist the older persons but also their  
10      family caregivers as well.

11             The next topic I'd just like to  
12      briefly touch on is senior financial  
13      exploitation. The Executive Budget proposal  
14      includes an initiative to train and legally  
15      authorize bank employees to place a hold on  
16      the bank account of a vulnerable adult if  
17      there is a reasonable basis to believe that  
18      the adult is a victim of actual or attempted  
19      financial exploitation. We support this  
20      initiative, and we strongly recommend that  
21      DFS and SOFA chair a task force on elder  
22      exploitation to lead a multidisciplinary  
23      approach that could bring a more concerted  
24      approach across service systems and agencies,

1 as well as creating emphasis on cross-system  
2 collaboration to ensure that the limited  
3 resources are used wisely to identify and  
4 serve elderly abuse victims.

5 Finally, two other quick items that  
6 are very important to us. To further empower  
7 New Yorkers in their retirement, AARP  
8 supports a proposal championed by Senator  
9 Savino and Assemblyman Rodriguez to create a  
10 state-facilitated retirement savings option,  
11 known as the Secure Choice Savings Program  
12 Act, to help many of the more than  
13 3.5 million private-sector workers who have  
14 no way to save for retirement through their  
15 employer. That leaves more than half the  
16 state's 18-to-64-year-old private-sector  
17 workforce without access to a retirement  
18 savings plan at all at the workplace.

19 In addition, workers are 15 times more  
20 likely to save for retirement if their  
21 employer offers a plan, according to the  
22 Employee Benefits Research Institute. That's  
23 why it's vital that all workers in the state  
24 have access to a payroll deduction savings

1 plan.

2 We strongly recommend the Legislature  
3 include language in the final State Budget  
4 that includes the Secure Choice Savings  
5 Program Act.

6 Kinship care. Kinship care refers to  
7 non-parents, grandparents, and other  
8 relatives who care for children when parents  
9 are unavailable. The major cause of kinship  
10 care is parental drug abuse.

11 Many of these families need access to  
12 additional resources, especially when they  
13 first take on the responsibility of caring  
14 for children. Grandmothers usually assume  
15 the role of raising their grandchildren.

16 We recommend that in order to maintain  
17 the progress the state has made in the last  
18 three years in kinship services, and to  
19 address the opiate crisis in rural New York,  
20 it is important for the state to maintain  
21 level funding for kinship support services at  
22 \$1.9 million in about 22 programs across the  
23 state, and add \$89,500 for Kinship Navigator  
24 outreach to rural counties.

1                   And I thank you for taking this time  
2                   to hear our testimony.

3                   CHAIRMAN FARRELL: Thank you.

4                   CHAIRWOMAN YOUNG: Thank you very  
5                   much.

6                   MR. McNALLY: Thank you.

7                   CHAIRMAN FARRELL: Shelly Nortz,  
8                   deputy executive director, Coalition for the  
9                   Homeless New York City.

10                  MS. NORTZ: Good afternoon, and thank  
11                  you for inviting us to testify today. I have  
12                  abbreviated my presentation and will try to  
13                  respect the time limits here.

14                  Thank you again. My name is Shelly  
15                  Nortz, and since 1987 I have had the  
16                  privilege of working for the Coalition for  
17                  the Homeless in Albany to secure state  
18                  support for programs and policies that  
19                  prevent and address homelessness and the  
20                  socioeconomic problems that cause  
21                  homelessness.

22                  Last year I reported to you that none  
23                  of the new JPMorgan settlement funds  
24                  programmed to address homelessness via

1       supportive housing in the 2015-2016 budget  
2       year were spent, nor had the New York City  
3       plan for rent supplements related to the  
4       allocation of youth facility reimbursement  
5       savings been approved by the state.

6       Therefore, the two largest state budget  
7       initiatives to address homelessness were not  
8       actually available to help homeless  
9       New Yorkers move out of shelters into  
10      housing.

11             Much the same as last year, the great  
12      majority of the \$2 billion that you approved  
13      in last year's budget to build supportive and  
14      affordable housing lies idle, due to  
15      political disputes about unrelated matters.  
16      It is unsurprising, therefore, that the  
17      shelter census in New York City has continued  
18      to climb.

19             As we have previously warned, city  
20      investments alone are not sufficient to bring  
21      the shelter census down substantially, and  
22      greater state investments are required.

23             I want to make sure that you  
24      understand this fact and that it sinks in.

1 Many of you have heard it before. New York  
2 State informed the United States Department  
3 of Housing and Urban Development that over  
4 19,000 more people enter homelessness each  
5 year than exit homelessness each year.  
6 Nineteen thousand. That is as if everyone in  
7 Oswego moved into a homeless shelter last  
8 year, and everyone living in Plattsburgh  
9 moved into a shelter this year, and  
10 two-thirds of the population of Glen Cove  
11 were to move into a shelter next year. This  
12 is simply unsustainable on multiple levels.

13 I'm going to focus on the crisis in  
14 New York City today, and I'm going to take  
15 you through a series of tables and charts.

16 We had another record year of  
17 homelessness in New York City: over 62,000  
18 men, women and children in shelters, equal to  
19 the population of Utica. The unduplicated  
20 number of people using New York City shelters  
21 rose 52 percent between 2002 and 2016, to  
22 over 127,000 individuals -- more than the  
23 population of Smithtown.

24 The single largest subset of the

1 New York City homeless shelter population:  
2 the 24,000 children in shelters. That's the  
3 population of Rockville Centre. Their  
4 companions at school were the 63,000 children  
5 living in doubled-up families -- a little  
6 more than the population of White Plains.

7 Nearly 16,000 homeless families in  
8 December; half of them in regulated shelters,  
9 the rest in hotels and cluster sites.  
10 Roughly the population of Binghamton or  
11 Niagara Falls.

12 We had a record number of single  
13 adults in shelters. Some also now in hotels,  
14 because there are too few shelter beds for  
15 the newly homeless population coming in.  
16 About half the population of Poughkeepsie.

17 So why new record after new record  
18 after new record? I'm going to take you  
19 through the reasons why.

20 The cumulative deficit in the number  
21 of federal housing placements, for one. The  
22 last multiyear decrease in the New York City  
23 shelter census occurred in 2004 and 2005.  
24 The number of public housing and Section 8

1       placements for homeless families then  
2       averaged about 5,000 per year. These are by  
3       far the most stable housing placements, and  
4       therefore these families rarely return to  
5       shelters. The shelter census then was about  
6       half its present size. In 2016, the number  
7       of such placements was only 2,612 in New York  
8       City. The result is that federal housing  
9       placements are still down by half compared  
10      with 2004-2005.

11               And we have the lost decade. As we  
12      recently reported in our family policy brief,  
13      from 1999 to 2005, New York City provided an  
14      average of 3,989 federal housing placements  
15      per year for homeless families. From 2006 to  
16      2014, only a few hundred units were provided.  
17      On average, 3,548 fewer homeless families  
18      received stable housing placements over nine  
19      years. And that's an accumulated deficit of  
20      31,935 fewer federal housing placements made  
21      over the nine-year period in which that  
22      policy was in place with the Bloomberg  
23      administration.

24               You can see on the next chart the



1       absolutely devastating effect that that had  
2       on access to housing. And as a direct result  
3       of that, the shelter census in New York City  
4       doubled.

5               We also have, as was discussed  
6       earlier, persistently high rates of eviction  
7       and rising shelter demand due to domestic  
8       violence, as well as institutional  
9       discharges, as Senator Krueger was  
10      discussing.

11             We have reduced supportive housing  
12      placements because the supportive housing  
13      pipeline has been effectively frozen for the  
14      last three years. There were 545 fewer  
15      people in homeless shelters to receive  
16      supportive housing placements last year,  
17      compared with 2014.

18             And then we had, despite the happy  
19      talk earlier about employment, we had a very  
20      sudden spike in unemployment in New York City  
21      this last year -- 35,000 more unemployed in  
22      October than in June. The drop in employment  
23      left 129,000 out of work, and only a third of  
24      those jobs have been recovered as of

1 December.

2           And I would point out that the August  
3 unemployment rate for the Bronx, where  
4 homelessness among families is concentrated  
5 more than any other borough, reached an  
6 alarming 7.8 percent, up dramatically from  
7 its low of 6.1 percent last May. There's no  
8 doubt that that is in part why we've seen  
9 such a great increase in the shelter  
10 population starting this fall.

11           In addition, rapidly rising income  
12 inequality causes housing instability and  
13 homelessness. A fundamental of the economics  
14 of homelessness is that in cities with low  
15 vacancy rates, high housing costs, and  
16 extreme income inequality, the people at the  
17 lowest end of the income spectrum fall out of  
18 the housing market entirely. New York City  
19 is such a city.

20           According to the Fiscal Policy  
21 Institute's budget analysis, the percentage  
22 of all income going to New York City's top  
23 1 percent has grown from 12.2 percent in  
24 1980, when modern mass homelessness emerged

1 as a serious problem, to 40.9 percent in  
2 2015, as the crisis of homelessness again  
3 became a cause for widespread concern, as you  
4 can see on the following chart. Income  
5 inequality in New York City is the worst in  
6 the nation.

7 And then lastly, the New York City  
8 population has reached a level projected for  
9 2020 in 2015, five years early, and it could  
10 surpass the 2025 projection as early as this  
11 year. And yet we're not really prepared to  
12 build the kind of housing that we need to  
13 accommodate a population that is growing that  
14 quickly. It grew at nearly 71,500 per year  
15 between 2010 and 2015. And so if we keep on  
16 that pace, as you can see, we are going to be  
17 in very, very dire trouble.

18 My last table: With rising  
19 homelessness, we also have rising reported  
20 deaths among homeless New Yorkers. And that  
21 increased recently as a direct result of the  
22 increase in homelessness and displacement in  
23 New York City.

24 The Governor replaced the expired

1 executive order on Code Blue protections  
2 during inclement weather for homeless people  
3 with a proposed regulation, an emergency  
4 regulation. And we're pleased that there is  
5 an emergency regulation, although it is  
6 pegged to a temperature of 32 degrees,  
7 including wind chill, which is far too low to  
8 protect people from hypothermia, which can  
9 hit people in the 50s and 60s. And it also  
10 does not require that shelters be open 24/7.  
11 So to the extent that shelters are just night  
12 shelters, it's little protection during the  
13 freezing cold days.

14 So we are urging that the regulation  
15 be modified to a higher temperature  
16 threshold, and that it protect people better  
17 during the day.

18 As we indicated last year, the  
19 coalition is also very pleased that the  
20 Office of Temporary and Disability Assistance  
21 is taking the issue of shelter conditions  
22 seriously. We're glad that the state is  
23 seeking to play a greater role, and we have  
24 no doubt that there will be a need for much

1 greater investments in the capital needs of  
2 some of these aging facilities.

3 You can see my budget recommendations  
4 at the end. I think I'm going to probably  
5 skip over the first three, and you can read  
6 those at your leisure. And we'll just talk  
7 about the two big items on the agenda, the  
8 first being that we are urging the inclusion  
9 of Assemblyman Hevesi's Home Stability  
10 Support rent subsidy program to help families  
11 keep their homes and avoid displacement into  
12 the shelter system, and also to help them  
13 leave shelters.

14 And then also we're really asking that  
15 the Governor and the Legislature release the  
16 \$2 billion appropriated for affordable and  
17 supportive housing last year. We've got to  
18 get this housing built. And if my  
19 presentation doesn't argue for that, I don't  
20 know what does.

21 And lastly, Senator Young, you were  
22 asking about the safety net assistance  
23 increase. I just wanted to make sure that  
24 you understood that the reason for that is

1           really structural and relates to how the  
2           funding shift happened a few years ago when  
3           the Safety Net Assistance Program went from  
4           being a 50/50 state-local split to being the  
5           71 percent local/29 percent state split.

6                     It's structural because the TANF time  
7           limit is five years. There are no local and  
8           state shares on TANF anymore; it's all  
9           100 percent federally funded for that  
10          caseload until we hit Year 5. And then, over  
11          time, that means that the TANF population  
12          gets shifted to localities.

13                    And so the very first time this was  
14          done, it was said to be a cost relief to  
15          localities that was then replaced by saving  
16          the state from having localities have too  
17          much of a windfall if you didn't change the  
18          safety net formula. But the long-term effect  
19          of that is to shift more of the caseload cost  
20          to the Safety Net Assistance Program, and  
21          therefore to localities.

22                    So that's why that's happening.

23                    CHAIRMAN FARRELL: Thank you.

24                    SENATOR KRUEGER: Thank you.

1                   CHAIRWOMAN YOUNG: Thank you.

2                   MS. NORTZ: Thank you very much.

3                   CHAIRMAN FARRELL: Just a little  
4 information. Tomorrow's program will not be  
5 on. We are going to do it on the 17th of  
6 February, which is next week, Friday. We  
7 think the weather is not very good for us to  
8 be here tomorrow. So that will just be for  
9 the record. Thank you.

10                  Sheila Harrigan, executive director,  
11 New York Public Welfare Association.

12                  MS. HARRIGAN: Good afternoon, and  
13 thank you. I'll just make a few points.

14                  I represent the 58 local departments  
15 of social services across the state. We look  
16 at every policy issue in terms of its impact  
17 on vulnerable people and on taxpayers.

18                  I'll bring a few issues to your  
19 attention. The first has to do with everyone  
20 needs a place to call home. So our written  
21 testimony includes our recommendations for  
22 what you as legislators can do to further  
23 support local efforts to address  
24 homelessness, prevent homelessness, and

1 provide emergency placements when they're  
2 needed. In order to address homelessness, we  
3 really need better permanent housing options.  
4 And I know both the Assembly and Senate are  
5 very dedicated to that goal.

6 In addition, when there are new  
7 requirements such as the expansion of SNAP  
8 and HEAP, we look to the Legislature and to  
9 the Governor to provide the administrative  
10 dollars for implementation. These programs  
11 are not funded by the state in terms of  
12 administration, so the federal government  
13 pays part of the cost and the rest is all  
14 local. So when there's an expansion, it is a  
15 new burden.

16 On the child welfare/childcare side,  
17 the Executive proposal would restrict  
18 \$26.1 million of Title XX for childcare.  
19 Currently this funding is used by counties in  
20 many different ways. It was mentioned  
21 earlier that New York City uses it for senior  
22 services. Most counties use it for  
23 preventive services and child welfare. So by  
24 targeting childcare, it is creating cuts in



1           other programs.

2                   And certainly we support the state's  
3           commitment to childcare subsidies, but that  
4           should happen with ongoing state and federal  
5           resources, not through a cost shift.

6                   In terms of foster care, the Executive  
7           proposal would decrease funding by  
8           \$62 million statewide. Our position is why  
9           mess with success, this program is working.  
10          Counties use those savings to fund preventive  
11          services to keep kids out of foster care or  
12          to reduce the length of time in placement.  
13          So by cutting \$62 million, they're certainly  
14          hurting our abilities to do that. We'd like  
15          to see that funding restored.

16                   Raising the age of juvenile  
17          jurisdiction to age 18, we simply ask for a  
18          commitment, a guarantee of 100 percent state  
19          funding. The Executive made that commitment  
20          last year; that commitment is not made in his  
21          proposal this year. There's lots of loops to  
22          go through. None of our suggestions for  
23          adding language to secure the financing last  
24          year were included in the proposal.

1                   So in closing, I appreciate the  
2                   legislative leadership and the leadership of  
3                   this committee on child welfare and social  
4                   services. We have our complete testimony for  
5                   your review. And I'd be happy to answer any  
6                   questions at another time. I know you're  
7                   running late.

8                   CHAIRMAN FARRELL: Thank you very  
9                   much. Any questions?

10                  ASSEMBLYWOMAN LUPARDO: Thank you.

11                  CHAIRMAN FARRELL: Thank you.

12                  CHAIRWOMAN YOUNG: Thank you very  
13                  much.

14                  CHAIRMAN FARRELL: Kate Breslin,  
15                  president and CEO, Schuyler Center.

16                  Hello.

17                  MS. HILL: Hello. I am not Kate  
18                  Breslin, although I would be very flattered  
19                  to be mistaken for her. I'm Dede Hill, and  
20                  I'm policy director for the Schuyler Center  
21                  for Analysis and Advocacy. Thank you so much  
22                  for your fortitude. This has been a long  
23                  day. And thank you so much for allowing me  
24                  this opportunity to testify.

1           The Schuyler Center is a 145-year-old  
2           statewide nonprofit organization that engages  
3           in analysis and advocacy in support of  
4           policies that improve the lives of all  
5           New Yorkers, particularly low-income children  
6           and families.

7           I'm just going to hit few points. You  
8           have our written testimony.

9           We're deeply concerned about the child  
10          poverty rates in New York State. Even as the  
11          economy in New York has steadily improved,  
12          nearly 22 percent of New York children live  
13          below the federal poverty level. New York  
14          children of color experience poverty at even  
15          greater rates, with 32 percent of  
16          African-American children and 34 percent of  
17          Latino children living below the federal  
18          poverty level. And yet the Governor's budget  
19          mainly flat-funds or cuts programs that  
20          support and strengthen these children and  
21          their families.

22          We acknowledge there are a few bright  
23          spots, including the new after-care funds and  
24          a slight increase in pre-K funding, but

1           largely, this budget flat-funds programs for  
2           low-income children and families. And this  
3           underinvestment is particularly worrisome  
4           given that the new federal administration has  
5           promised steep cuts in social services and  
6           health services that serve low-income  
7           children and families. So really now more  
8           than ever, it's up to the state to protect  
9           these families.

10                 I'm going to just jump to -- one other  
11           point I think I want to make is that many of  
12           the funding decisions in the Executive Budget  
13           are without a real discernible rationale. In  
14           fact, the budget proposes to flat-fund or cut  
15           funds in some of the areas where the need is  
16           arguably the greatest. And this is certainly  
17           the case in two areas that I'm going to focus  
18           on in my remarks right now. The first is  
19           early care and learning, in particular  
20           childcare, and the second is in the area of  
21           child welfare.

22                 I will not belabor the childcare  
23           issue. We've heard about that a lot. But I  
24           would just say that in our mind the crisis in

1       childcare is not looming, it is here. This  
2       number has been said many times, and it is  
3       true: 83 percent of families with incomes at  
4       less than 200 percent of the poverty level  
5       are receiving no subsidies, very little  
6       assistance.

7               And the Governor's proposed budget  
8       does nothing to help these families. In  
9       fact, the budget allows for no new subsidies.  
10      And this will actually likely result in fewer  
11      subsidies because of rising costs, and  
12      particularly if the federal regulations need  
13      to be implemented.

14             In fact, the only proposed new funding  
15      comes in the form of a very modest  
16      enhancement to the Child and Dependent Care  
17      Tax Credit, and that does not touch any of  
18      these families who are eligible for  
19      subsidies. That's just for families making  
20      more than \$50,000 a year.

21             So we urge the Legislature to support  
22      an additional investment of \$100 million in  
23      childcare subsidy funding. This would  
24      restore subsidies lost due to escalating

1 costs and also increase the number of  
2 children served. And we also call for the  
3 restoration of the \$27 million of General  
4 Fund support for childcare, and leave  
5 counties to use their Title XX discretionary  
6 funds to support other vital social services.

7 I want to just talk quickly about home  
8 visiting. This is another critical support,  
9 a proven support for young children and their  
10 families. It's an intervention that's been  
11 recognized to strengthen families, improve  
12 children and families' health, well-being,  
13 economic security. It's exceptionally  
14 cost-effective, but yet it's been  
15 continuously underinvested in. This year is  
16 no different.

17 The Schuyler Center, along with  
18 Healthy Families New York, Nurse-Family  
19 Partnership, Parents As Teachers, and  
20 Parent-Child Home, urge the Legislature to  
21 increase state investment in home visiting to  
22 \$36.3 million. This would allow for the  
23 maintenance of existing programs and also  
24 allow for the expansion of services to more

1 families.

2 Another area of deep concern is the  
3 area of child welfare. The Governor's  
4 proposed budget would make significant cuts  
5 to child welfare services. And these  
6 proposed cuts seem particularly unwise given  
7 recent tragic fatalities of children under  
8 state care and also last month's release of a  
9 federal report, the Child and Family Services  
10 Review, which finds New York to rank near the  
11 bottom nationally on a number of child  
12 welfare safety and permanency measures.

13 We would certainly acknowledge there  
14 are many strengths in New York State's child  
15 welfare system, chief among them the state's  
16 commitment and investment in open-ended  
17 preventive services. So we urge you to build  
18 upon these strengths.

19 First we join many others who have  
20 called for -- who have already spoken, and I  
21 know some who follow -- please maintain  
22 funding for the Foster Care Block Grant. The  
23 Executive Budget would cut \$62 million from  
24 this block grant. We urge that this be

1           restored.

2                   We also urge restoration of the state  
3           share for preventive services from 62 percent  
4           in the Executive Budget to 65 percent.  
5           That's as written in statute. And we urge  
6           that the additional 3 percent be used for  
7           primary prevention. Those are services that  
8           help children before there's any formal  
9           involvement with the child welfare system.

10                   We also ask you to strengthen the  
11           housing subsidy for foster families. We urge  
12           support of AB259 and SB1291, sponsored by  
13           Assemblymember Hevesi and Senator Avella.  
14           This would increase the housing subsidy,  
15           which hasn't been increased since 1988, to  
16           \$600 per month. And the result will be that  
17           this will help many of our young people who  
18           are aging out of foster care to have stable  
19           housing and not fall into homelessness, which  
20           is all too common with this population.

21                   We also urge a strengthening of the  
22           Kinship Guardianship Assistance Program.  
23           This is a program that allows kin families to  
24           exit the foster care system yet continue to



1       receive financial support while still caring  
2       for their relative children.

3               The Executive Budget continues to fund  
4       through the Foster Care Block Grant, and this  
5       diverts scarce funds from foster care. This  
6       is a permanency option. It should be funded  
7       as such.

8               We'd also, finally, like to call for  
9       the restoration of Kinship Caregiver services  
10      to the funding level of \$2.3 million and  
11      increase fundings for the Kinship Navigator  
12      Program to \$410,000. These services offer  
13      critical supports for kin who step in to care  
14      for children, relative children. Many of  
15      these kin caregivers are grandparents of  
16      limited means. They need supports.

17              And we would just point up two issues  
18      that are sort of looming on the horizon --  
19      well, one is here, right here, which is the  
20      opioid crisis has led to many children in the  
21      care of kin. And there's also the looming  
22      threat of the new federal administration's  
23      pledge to increase dramatically deportations.  
24      And we are concerned that there will be more

1 children who need to go into the care of kin  
2 because their families are disrupted in these  
3 ways. So we urge restoration and an increase  
4 in investments in these two important  
5 programs.

6 Thank you so much for your time, and  
7 I'm happy to answer any questions.

8 SENATOR KRUEGER: Thank you very much.

9 MS. HILL: Thank you.

10 CHAIRMAN FARRELL: Thank you.

11 ASSEMBLYWOMAN JAFFEE: Thank you. I  
12 just wanted you to know that we are  
13 attempting to be very firm in the advocacy  
14 for many of the programs that you have noted  
15 that are so essential, and we are pushing to  
16 increase the funding. And thank you so much.

17 MS. HILL: Thank you. And we look  
18 forward to working with you. Thank you.

19 CHAIRMAN FARRELL: Empire Justice  
20 Center, Susan Antos, senior attorney.

21 MS. ANTOS: Good afternoon, and thank  
22 you to the chairpeople, the Assemblymembers  
23 and the Senators here today. Thank you for  
24 the opportunity to testify.

1                   CHAIRMAN FARRELL: Thank you.

2                   MS. ANTOS: We have submitted 28 pages  
3 of testimony, and I'm just going to highlight  
4 what each of the categories are so that you  
5 can read it in depth at your leisure.

6                   I'd like to start out with mentioning  
7 the Disability Advocacy Program, and I want  
8 to thank Senator Krueger for raising that in  
9 her questioning. I want to point out that  
10 the Disability Advocacy Program, called DAP,  
11 is actually a money saver for the State of  
12 New York. For every dollar invested in DAP,  
13 at least \$3 are generated to the benefit of  
14 state and local government, because people on  
15 public assistance then go into the federally  
16 funded SSI program.

17                   The Executive Budget funded DAP at  
18 \$5.26 million, and we seek restoration to  
19 last year's level of \$8.26 million.

20                   The next item that I want to  
21 highlight -- I'm going to jump around because  
22 there's so many topics in our testimony -- is  
23 a matter that has been touched on briefly  
24 here today, but I want to underscore it,

1           which is the proposed creation of a  
2           centralized administrative hearing division.

3           Assemblymember Titus asked a question  
4           of I believe it was Commissioner Perrin about  
5           some details about the program, and his  
6           response was, "Well, our conversations are  
7           continuing. We haven't drilled down yet."

8           Administrative hearings are the  
9           touchstone of due process rights for people  
10          on public assistance benefits, on  
11          unemployment benefits, on many, many  
12          benefits. And the conduct of these hearings  
13          is critical to a correct result for them.

14          We believe this proposal is premature.  
15          It's very important to us that administrative  
16          law -- we're assured that administrative law  
17          judges have subject matter expertise, legal  
18          experience, that there are protections such  
19          as developing the record, that the  
20          administrative law judges are independent,  
21          and that due process requirements are  
22          observed. So I wanted to highlight that for  
23          you.

24          I want to also jump forward. This was

1 not given a lot of attention today. I wanted  
2 to mention the Lottery intercept proposal,  
3 because there are a couple of things about  
4 that that did not come up today that are  
5 very, very important for you to know.

6 Number one, the Court of Appeals at  
7 the end of the 2015 said if you're on public  
8 assistance and you win the Lottery, before  
9 the state can recover the amount of the  
10 public assistance debt that you have  
11 received, it has to credit the value of your  
12 work. That makes sense, right? You went and  
13 cleaned the park, you should get the minimum  
14 wage times the number of hours you worked  
15 credited against your public assistance debt.  
16 The Court of Appeals agreed with us. And to  
17 date, the Office of Temporary and Disability  
18 Assistance has not implemented the holding of  
19 the Carver case, which I've attached to your  
20 testimony so you can see that the decision of  
21 the Court of Appeals in Carver was in no  
22 uncertain terms.

23 So that's number one. The state  
24 should not be allowed to take more in Lottery

1           winnings from former public assistance  
2           recipients until it obeys the law of the  
3           Court of Appeals in Carver and credits them  
4           for the work they did.

5                   I attached a Lottery intercept  
6           statement under the current law, where  
7           50 percent is taken. And I wanted to remind  
8           everybody that Lottery winnings are taxable.  
9           Federal, state and local income taxes are  
10          taken out. We don't know from this proposal,  
11          if the entire amount of the Lottery is  
12          intercepted, are people going to be walking  
13          around with a tax liability on their head for  
14          that amount?

15                   The gentleman who received the notice  
16          in this case won \$10,000. He hadn't been on  
17          public assistance for seven years. The state  
18          took \$5,000, \$3500 was taken in federal,  
19          state, and New York City taxes. His \$10,000  
20          prize ended up being \$1400. If the entire  
21          amount had been taken from him and he had a  
22          \$3500 debt, that would be a very, very unfair  
23          result.

24                   So I think that -- and one other

1 point. And actually, Assemblymember  
2 DenDekker mentioned this. He asked if people  
3 had notice of what their debt was. And I  
4 have to say that, thanks to the Senate and  
5 the Assembly, last year an accounting bill  
6 was passed for public assistance debt but it  
7 only applied to people who have public  
8 assistance mortgages. If you own a house and  
9 you go on public assistance, the county can  
10 take a lien against your house. And the law  
11 now requires that these folks get a biennial  
12 accounting of their public assistance debt.

13 Why is that important? Because  
14 districts make mistakes. I tell the story of  
15 someone who had a \$40,000 lien against her  
16 house and it was supposed to be \$20,000. The  
17 executive deputy commissioner couldn't answer  
18 when the question was posed to him what  
19 benefits are recoverable. I can tell you  
20 that SNAP, HEAP and childcare are not  
21 recoverable. But my client in the story had  
22 all those benefits charged against her public  
23 assistance debt. If she had had an  
24 accounting -- I mean, luckily, we caught it

1           at the last minute. But people aren't going  
2           to understand it unless they get an  
3           accounting. And we believe all public  
4           assistance debtors should get notice of their  
5           debt.

6                     I also want to mention Home Stability  
7           Support. Deputy Commissioner Perrin  
8           mentioned the lack of affordable housing as a  
9           problem. My colleague Shelly Nortz went into  
10          great detail about that. The Empire Justice  
11          Center strongly supports the Home Stability  
12          Support program. We hope that you will  
13          support it as well. The executive deputy  
14          commissioner noted that 28 percent of shelter  
15          placements are the result of domestic  
16          violence, and Home Stability Support would  
17          address the needs of those homeless folks as  
18          well. So I hope you will consider that  
19          proposal.

20                    One other thing that I -- because it's  
21          a budget issue, and I'm just going to touch  
22          on it. Briefly there is a bill pending in  
23          the Legislature right now, it's Assembly  
24          1590, which would eliminate the ability of



1       social services districts to take a mortgage  
2       against a public assistance recipient. Most  
3       public assistance recipients that own homes  
4       are often women who have been divorced and  
5       the only asset is a home, and the taking of a  
6       lien is just adding insult to injury.

7               We are one of only two states in the  
8       entire country that do this, and we would ask  
9       that that be repealed. The bill has been  
10      drafted in a way so that it does not have a  
11      big fiscal impact. It's prospective only.  
12      All the liens that are in existence right now  
13      will be in place. And there's data about the  
14      number of liens that are in existence and  
15      that will still be recoverable in our  
16      testimony.

17             I want to quickly jump to childcare.  
18      We have a lot of pages in our childcare. We  
19      support the Winning Beginning New York  
20      recommendation of \$100 million. I believe it  
21      was Senator Krueger who asked the question  
22      about maximizing the use of funds by  
23      exempting public assistance recipients with  
24      children under the age of one from the work

1 rules. In our testimony we have detailed  
2 calculations showing how, for every child  
3 that's exempted, there would be three slots  
4 created, with the freeing up of \$9.34 million  
5 of additional dollars for childcare. That's  
6 at the end of our testimony on pages 24  
7 through 26.

8 We also think that -- I'm getting  
9 close to the end here. I also wanted to  
10 mention the importance of, particularly in  
11 these times, a commitment to children of  
12 immigrants. I wanted to follow up on what  
13 SCAA said about the real danger of U.S.  
14 citizen children whose parents are going to  
15 be deported.

16 We have a recommendation in our budget  
17 testimony that money be allocated for legal  
18 assistance. We think the Kinship Navigator  
19 is well-positioned to provide that for the  
20 kind of planning that families need if  
21 children are going to be left with other  
22 relatives if and when the parents are  
23 deported.

24 Finally, I would like to point out

1           that a big piece of our testimony is on  
2           foreclosure prevention. And again, this ties  
3           in with the homelessness crisis. I had some  
4           quick data for you, but I can't find it now.  
5           But I did want to let you know that -- oh,  
6           here it is, sorry -- that we're seeking  
7           \$10 million to replace a program that is  
8           effectively ending as of 2017 because of no  
9           more funding. We were funded through  
10          Attorney General services, and these services  
11          have been provided since 2008.

12                 There is still a foreclosure crisis.  
13          There were 34,000 new filings in 2016 and  
14          72,000 pending foreclosure cases.  
15          Foreclosures constitute 26 percent of the  
16          Supreme Court's caseload.

17                 So we would ask that you continue to  
18          fund foreclosure preventions so that people  
19          can stay in the homes that they own.

20                 Thank you.

21                 SENATOR KRUEGER: Thank you, Susan.

22                 CHAIRMAN FARRELL: Thank you very  
23          much.

24                 Gerard Wallace, director of Kinship

1 Navigator, Catholic Family Center, Rochester,  
2 New York.

3 MR. WALLACE: Chairpersons Young and  
4 Farrell, committee members and chairs, thank  
5 you very much for the opportunity. We are  
6 certainly at the end of the day here, and I'm  
7 under the wire. And I made it this year.  
8 Sometimes I'm back there and it doesn't  
9 happen. So I appreciate the last-minute  
10 opportunity.

11 We will encapsulate what we have to  
12 say, and hopefully the gist of the matter  
13 will be sufficient to have you understand our  
14 interest and our concerns.

15 I am the director of the New York  
16 State Kinship Navigator. This is a statewide  
17 program serving all 62 counties. We're in  
18 our 11th year of operation. We're a line  
19 item in the Governor's budget. We provide  
20 information, referral, education and advocacy  
21 to the kinship community across the state.  
22 That includes the 44 rural counties in the  
23 state where there really aren't any other  
24 services but ourselves. We run a helpline,

1 an extensive website with many, many legal  
2 fact sheets, and we do educational forums,  
3 legal trainings. We're out in the field,  
4 we're doing presentations in the community  
5 and intending to reach caregivers across the  
6 entire state.

7 I'm here with Ryan Johnson, who is our  
8 MSW. And he, if he has a minute, will just  
9 go over a typical case to give you a sample  
10 of what we really go through on a daily  
11 basis.

12 Reflecting on kinship care. Kinship  
13 care is grandparents and relatives raising  
14 children. I'm going to highlight some data  
15 that's recently been published by OCFS, and  
16 some national data, and not go through my  
17 usual here are the barriers, oh, woe for us.  
18 I think this will just highlight enough to  
19 maybe give you the interest to go forward and  
20 consider our recommendations.

21 In May in the New York Times there was  
22 a report, "Children of the Heroin Crisis Find  
23 Refuge in Grandma's Arms." It points out  
24 that there are 2.6 million grandparents who

1 are responsible for grandchildren in this  
2 country. Translating that into New York  
3 State, 130,000 grandparents are responsible,  
4 aunts and uncles, family siblings, and even  
5 family friends. And then looking at what  
6 that means for the number of children, we  
7 could have as many as 300,000 children in  
8 New York State living with relatives.

9 Are they in foster care? No. Only  
10 4,000 or so of that number are in foster  
11 care. These families are on their own. The  
12 only specialized services dealing with them  
13 are my program and the 22 locally funded  
14 programs that, thanks to the added funding in  
15 the past two years, has bumped up to what I  
16 just said, 22 programs.

17 Now, a couple more facts about kinship  
18 families. They are similarly situated to  
19 foster families. Obviously the opioid crisis  
20 is highlighted in that article. We recently,  
21 the navigator, had a federal grant, and we  
22 had the Research Foundation of New York do  
23 the study connected with that grant. And in  
24 a cohort of 455 children in five upstate

1           counties, 80 percent of them had Child  
2           Protective Services records. There but for  
3           the intervention of their family members,  
4           these children could be in foster care.

5                   Going down with the data, the other  
6           data that came out recently is that finally,  
7           after years of advocacy, OCFS released, in  
8           July, "Trends in Relative Placements." And  
9           the cite is here in the handout. And the  
10          important thing to note in that "Trends" is  
11          that we are a tale of two states: New York  
12          City and then the rest of the state.

13                   In New York City, highlighting the  
14          number of children who went into foster care  
15          with kin, in 2015 in New York City, 3,905  
16          children were placed in foster care in New  
17          York City. Of that, 1,025 were placed with  
18          relatives. Twenty-seven percent of foster  
19          care in New York City is relative care. In  
20          the rest of the state, where it was  
21          4,866 children went into foster care, in the  
22          rest of the state 351 were placed with  
23          relatives. Seven percent. Twenty-seven  
24          percent versus 7 percent. To go to the

1 videotape -- as someone you might recall,  
2 okay, if you're old enough -- I'm going to go  
3 to individual counties to let you know what  
4 that means.

5 Let's start here in Albany: 167  
6 children admitted to foster care in 2015,  
7 zero went into care with their relatives.  
8 Zero. Instead, they used something that goes  
9 under the rubric "diversion."

10 How do we divert kids to be placed  
11 with their family members but we don't make  
12 them foster parents? One of the key  
13 techniques is something called direct  
14 custody. I could belabor it. It's in the  
15 notes here, and you can read about it. But  
16 direct custody, 35 families. Essentially you  
17 can call this foster care on the cheap. We  
18 don't pay for foster care, but the families  
19 get the kids. And they're on their own, and  
20 we serve them.

21 How many kids went into KinGAP? We  
22 don't have time to talk about that here. In  
23 Albany County, one.

24 Let's just point out a few other



1        counties upstate, big counties. Broome, 105  
2        kids admitted into foster care; three went  
3        into relative foster care; two went into  
4        direct custody -- not so bad -- and three  
5        into KinGAP.

6                Erie County, 617 children went into  
7        foster care, 15 were placed with relatives,  
8        512 were into foster care on the cheap.

9                Proceeding, the Article X continues  
10       when children go off to live with relatives  
11       and they don't get any services. I can go  
12       on. This is available -- the link is there  
13       for you to look at it. We really are a tale  
14       of two states in New York. And the only  
15       answer for these families who are not in  
16       foster care are for them to come to us and  
17       get served by them {sic}.

18               Now, what do we do? Ryan will give  
19       you a minute on that in a second here. But  
20       I'd like to point out that we need to reach  
21       them, and reaching them is not easy,  
22       particularly in rural New York, where this  
23       opioid crisis is causing an increase.

24               So in our budget ask, we're asking you

1           to continue the funding that the Legislature  
2           has put in over the past two years, which is  
3           essentially to fund at \$2,238,000 the  
4           22 kinship programs that are local entities,  
5           that serve 22 counties. And then for us, we  
6           got \$100,000 more last year. We're asking  
7           for \$89,500 more to implement a technique  
8           that we perfected in our federal  
9           demonstration project that resulted in a  
10          600 percent increase in referrals in five  
11          upstate rural counties.

12                 We want to reach these counties and  
13          get them to the bare minimum services that  
14          are available to them that are at least of  
15          some help. You can help us do that if you  
16          will fund our recommendations.

17                 There also is Social Services Law 392,  
18          enacted in 2011, that says that the local  
19          counties are to provide information to  
20          kinship caregivers, to relative caregivers  
21          regarding services. But it's to provide  
22          information. Most of them don't do it. We  
23          are asking that you amend that Social  
24          Services Law to require them to connect the

1           caregivers to kinship services.

2           The other recommendations are in our  
3           draft. And I would like, if there's one  
4           minute, if Ryan could give you a typical  
5           instance of a caregiver family. If not,  
6           we'll just say that's it.

7           You folks okay? Go ahead, Ryan.

8           MR. JOHNSON: Great, I'll be very  
9           brief. In my role as a regional kinship  
10          specialist for the New York State Kinship  
11          Navigator, I get an opportunity to connect  
12          with caregivers and professionals on a weekly  
13          basis.

14          Imagine for a moment you get a call  
15          from child welfare services letting you know  
16          that your grandchildren are going to be taken  
17          into state custody unless you come and get  
18          them.

19          Oftentimes caregivers who are faced  
20          with this situation are the ones that are  
21          calling us. Oftentimes these are elderly  
22          caregivers; 56 years old is the average age  
23          of kinship caregivers in New York State.

24          SENATOR SAVINO: Did you just say

1 elderly is 56?

2 (Laughter.)

3 SENATOR KRUEGER: You lost us.

4 (Laughter.)

5 MR. JOHNSON: Oftentimes these folks  
6 are on a fixed income --

7 (Laughter.)

8 MR. JOHNSON: -- they are living in  
9 a --

10 SENATOR SAVINO: That just went right  
11 over you.

12 MR. JOHNSON: It did not go over me.  
13 I totally understand.

14 (Laughter.)

15 MR. JOHNSON: Gerry told me I had one  
16 minute.

17 (Laughter.)

18 SENATOR KRUEGER: He was doing better.  
19 You probably should have stopped.

20 MR. WALLACE: I'm telling you, I'll  
21 talk to him afterwards, I promise.

22 (Laughter.)

23 MR. JOHNSON: Very good, thank you.

24 Glad my mother's not watching, that's all I

1 can say about that.

2 (Laughter.)

3 MR. JOHNSON: What I can say is that  
4 oftentimes these folks are on fixed incomes,  
5 they live in apartments that are often too  
6 small. And so when they're faced with caring  
7 for a child that comes into their life  
8 unexpectedly, they need services like: Where  
9 can I find a bed for this child? This child  
10 came to me with only the clothes on their  
11 back, and I have nothing to feed them.

12 Other services that they might need  
13 are, How can I get this child to school?  
14 It's 10 o'clock at night and this child is  
15 supposed to be at school at 7:30 tomorrow  
16 morning.

17 These are the types of situations that  
18 kinship caregivers face when they're given a  
19 child. So what our program does is connects  
20 them to local services. We partner with  
21 local agencies. As Gerry mentioned, there's  
22 22 kinship care programs that cover 22  
23 counties. We partner directly with them.  
24 Those programs are able to serve those

1 families, get them connected to -- we can  
2 find you a bed, we can find you clothes, we  
3 can find you a local food pantry.

4 Our program specifically helps  
5 caregivers in the 40 counties that don't have  
6 any services. We also serve the 22 counties  
7 as well. We can help caregivers get  
8 connected to financial resources as well as  
9 other mental health resources and legal  
10 resources in their county available to them.

11 As a kinship system of care, the  
12 navigator and local programs are able to help  
13 stabilize kinship families and increase  
14 positive long-term outcomes for children  
15 while operating these services at a fraction  
16 of the cost of placing these children in  
17 foster care.

18 Thank you. I'm sorry if I offended.

19 (Laughter.)

20 CHAIRMAN FARRELL: Assemblywoman  
21 Jaffee.

22 ASSEMBLYWOMAN JAFFEE: Thank you for  
23 the service that you provide. I've heard the  
24 stories, and they really are very telling in

1 terms of the need for support. And so thank  
2 you. And I am requesting for additional  
3 funds so that you can continue your efforts.

4 MR. WALLACE: Thank you. Thank you  
5 very, very much, yes.

6 SENATOR KRUEGER: Senator Savino.

7 SENATOR SAVINO: Thank you. Thank  
8 you, Gerry and Ryan.

9 MR. WALLACE: The old guy.

10 SENATOR SAVINO: Believe me, you'll be  
11 our age before you know it.

12 I'm somewhat confused, though, about  
13 the number -- I shouldn't say confused --  
14 somewhat concerned about the number of these  
15 cases that are being dropped off with  
16 families as opposed to a more formal setting.  
17 And as you know, Gerry -- and I see Jim  
18 Purcell sitting behind you, and others who  
19 have done this work for years -- you know,  
20 there's a landmark lawsuit that was brought  
21 against the City of New York 30 years ago  
22 around this very issue, you know, in the case  
23 of Eugene F. It's what created kinship  
24 foster care.

10 MR. WALLACE: Well --

22 MR. WALLACE: The word is diversion.  
23 There are many ways in which it's done. And  
24 why is it that it's done? Yes, there's a



1           suspicion that there's a financial factor  
2           involved: Families will do it on their own,  
3           and we couldn't have all these children come  
4           into the formal system, it would break the  
5           system.

6                     So yes, families need to be doing it  
7           on their own, but they also don't need to be  
8           abandoned.

9                     A typical story beginning with  
10          diversion is an investigation is made,  
11          there's some reason to have a child removed.  
12          Instead it's asked, Will a relative take the  
13          child? Grandma says yes. The kid goes off  
14          to grandma's. There never is an Article X,  
15          it's in the case records. No one knows the  
16          number of instances of this. All right?

17                    And I would say that what we hear is:  
18          "Child Protective Services gave me this child  
19          eight years ago, this is the first time I've  
20          found out there's help." It's brutal on  
21          someone who may be on a fixed income.

22                    SENATOR SAVINO: And that's what  
23          Eugene F. was all about.

24                    MR. WALLACE: Well, yes, but it's a

1           downstate case. And there have been lawsuits  
2           upstate, but it's a decentralized county --  
3           you've got to have a lawsuit in every county  
4           to address the practices if you're going to  
5           defeat it.

6                     There was a case Debra VV v. Johnson  
7           in 2006, here in Albany County, in which an  
8           aunt was told there's no such thing as  
9           kinship foster care in this county. And yes,  
10          it went there and that practice was ended and  
11          she became a foster parent.

12                    But the consequences beyond that have  
13          not been to solve the bigger issue. The  
14          bigger issue is we remove the child, we start  
15          the Article X. Family Court Act 1017 offers  
16          you three ways to give that child to a  
17          relative: Tell the relative to go out on  
18          their own and get custody; let them do foster  
19          care on the cheap, which is direct custody;  
20          or make them a foster parent.

21                    In the conversations that occur  
22          between Child Protective Services and child  
23          welfare agencies, there are many ways to  
24          dissuade you. Indeed, the commentary in the

1       McKinney's 1017, written by a Hofstra law  
2       professor, uses the word "ruses" the counties  
3       do to perpetuate diverting kin from becoming  
4       foster parents. Oh, you don't want to become  
5       a foster parent. We'll be in your home every  
6       week. You can't have them now. We won't  
7       place them until you're certified, and you  
8       can't get certified for four months.

9               Give me the kid, I don't care.

10              There are many ways -- we are asking  
11      not to -- we understand the financial  
12      constrictions, but the worst thing is that  
13      children that should get into foster care may  
14      not be getting into foster care.

15              SENATOR SAVINO: And the parent that  
16      you remove the child from is not getting any  
17      follow-up service either.

18              MR. WALLACE: Well, if the Article X  
19      is on, yes, there will be reunification  
20      efforts.

21              SENATOR SAVINO: But if there's not --

22              MR. WALLACE: If there's that other  
23      informal situation, it just goes up in the  
24      air.

1                   I'd like to give you one instance in  
2                   Dutchess County that drives home, because I  
3                   get to use that lawyerly word "egregious."  
4                   Okay?

5                   ASSEMBLYMAN OAKS: You have one  
6                   minute, just to --

7                   MR. WALLACE: Really quick. Dutchess  
8                   County, four or so years ago. Boyfriend  
9                   lures girlfriend to motel, beats her to death  
10                  with a baseball bat in front of her  
11                  5-year-old. The child is -- you know, CPS is  
12                  in, the cops are in. Grandma gets a call:  
13                  "Come down to court." She runs down to  
14                  court. Oh, my God, the family is a mess.  
15                  Right? And she's told by CPS, "Go get  
16                  custody on your own and take care of the  
17                  child." Not even offered a chance to be a  
18                  foster parent.

19                  They get in touch with us eight months  
20                  later: "We can't afford the mental health  
21                  needs of this child. What are we going to  
22                  do?" It became a cause célèbre, and it was  
23                  back-doored and she got to be a foster  
24                  parent.

1                   But it shows you just how egregious it  
2                   can be in circumstances where a kid may need  
3                   to go into foster care and may be avoided  
4                   because of these informal policies.

5                   SENATOR SAVINO: Thank you.

6                   MR. WALLACE: Thank you very much.

7                   SENATOR KRUEGER: One more question,  
8                   sorry.

9                   We were on the exact same train, so  
10                  let me just double-check. There's nothing in  
11                  the work that your organizations do that  
12                  prevents you from trying to ensure that there  
13                  is a kinship foster care placed in these --  
14                  that the family is --

15                  MR. WALLACE: During the first six  
16                  months, when it is still possible under the  
17                  federal rule, which says you look back to  
18                  where the initial removal was in order to be  
19                  qualified for Title IV-E funding. And then  
20                  you have to look at the AFDC income  
21                  requirements of 1996.

22                  We will intervene on a one-to-one  
23                  basis and ask counties to do this. But the  
24                  resources are pretty limited. And most of

1       the time we're finding out after the fact,  
2       you know: "I got this child and now I don't  
3       know what to do." And you can call up the  
4       county, and the standard answer is it's too  
5       late.

6                SENATOR KRUEGER: Thank you. Thank  
7       you.

8                ASSEMBLYMAN OAKS: Thank you.

9                The next presenter, New York State  
10       Children's Alliance, Karen Hill.

11               The Children's Aid Society has  
12       submitted, so the one after that will be  
13       Jim Purcell, the Council of Family and Child  
14       Caring Agencies, on deck.

15               Thank you.

16               MS. HILL: Good afternoon, members of  
17       the Assembly and Senate.

18               The New York State Children's Alliance  
19       is the membership organization for New York  
20       State's 40 Child Advocacy Centers. It's my  
21       privilege to be here on behalf of our  
22       membership to share with you and provide you  
23       some information regarding the work that we  
24       do at a Child Advocacy Center.

1           On behalf of our board of directors, I  
2           want to thank the Legislature for your  
3           history of strong support over the years.  
4           Every year you have voted to add legislative  
5           appropriations to help Child Advocacy  
6           Centers, ranging from \$2.2 million to  
7           \$2.57 million. This has greatly helped our  
8           centers provide vital services to the most  
9           vulnerable population, we believe, in  
10          New York State -- children who are abused.

11          We're here once again to ask for your  
12          support, because unfortunately the proposed  
13          2017-2018 budget does not include these  
14          funds, and we are very concerned that this  
15          will put us in jeopardy of closing some of  
16          our doors.

17          The Child Advocacy Centers in New York  
18          State serve our most vulnerable population,  
19          children who are exposed and victimized by  
20          severe physical abuse, sexual abuse,  
21          commercial sexual exploitation, trafficking,  
22          and fatalities. This year we respectfully  
23          request a legislative appropriation of  
24          \$3.2 million in the state's adopted budget to

1           continue our work.

2                       Since 2007, New York State has  
3           supported 40 Child Advocacy Centers. That  
4           leaves 22 of our counties underserved by a  
5           CAC. We understand that there's limitations  
6           in available funding, so we have worked with  
7           the Office of Children and Family Services to  
8           regionalize some of our centers, and we now  
9           serve 51 counties within the state. This  
10          year we are hoping to add another four  
11          counties. We still only have 40 sites,  
12          though, 40 programs operating.

13                      So we understand that we have a role  
14          in this fight to end child abuse. And we  
15          also understand that where you decide to put  
16          your state dollars, that you need a return on  
17          your investment. And so what I want to talk  
18          to you about today is the proven, effective  
19          response of a Child Advocacy Center. We use  
20          that multidisciplinary response that so many  
21          people have talked about today. We have  
22          incorporated that in our history since 1985,  
23          in New York State since 1984. So we work  
24          together, as law enforcement, child



1 protective, prosecution, medical providers,  
2 mental health providers, victim advocates,  
3 and center staff, to collect evidence,  
4 investigate cases, prosecute offenders, and  
5 bring much-needed treatment to children who  
6 are victimized by abuse.

7 We do this in a child-friendly  
8 environment, so children don't have to go to  
9 hospitals, they don't have to go to police  
10 stations, and they don't have to go to CPS  
11 agencies. We provide a warm environment for  
12 them to be able to talk about their abuse and  
13 to tell their story.

14 What you may not be aware of, though,  
15 and what I want to quickly share with you, is  
16 some of the other initiatives that our  
17 centers have taken on to end child abuse in  
18 New York State. And here's just a sampling.

19 The START Child Advocacy Center of  
20 Rensselaer County provides additional mental  
21 health assessment screenings for children  
22 entering foster care.

23 The Oswego Child Advocacy Center has  
24 developed a non-offending caregiver group to

1 help support non-offending caregivers and  
2 educate them on the dynamics of child abuse,  
3 trauma, so that we can better help our  
4 non-offending caregivers help their children.

5 The Bivona Child Advocacy Center in  
6 Monroe County hosts the largest child abuse  
7 conference in New York State, bringing  
8 experts in the field from all over the  
9 country to train our teams on best-practice  
10 response.

11 The McMahon/Ryan Child Advocacy Center  
12 of Onondaga County has developed a child  
13 abuse prevention curriculum for  
14 schoolchildren and has currently trained  
15 11,000 children in the Syracuse area.

16 In the Southern Tier Child Advocacy  
17 Center, we facilitated a statewide committee  
18 in the development of a first responder  
19 curriculum so that we could help law  
20 enforcement identify and respond in a way  
21 that was trauma-informed and effective. We  
22 have worked with the Division of Criminal  
23 Justice Services to make this an online  
24 program, and we have to date trained

1 approximately 5,000 first responder and law  
2 enforcement officers.

3 We have also worked with the Office of  
4 Children and Family Services to create a Less  
5 is More program, which is an advanced  
6 mandated reporter program to help people to  
7 understand how to respond and recognize in a  
8 way that is trauma-informed.

9 We're making incredible progress. Our  
10 programs have made tremendous impacts on our  
11 communities. But it's because of your  
12 support that we have been able to do that.  
13 We need to continue to invest in these  
14 efforts, now and into the future.

15 I served as the director of the  
16 Southern Tier Child Advocacy Center for  
17 10 years, and it was my honor to be in that  
18 role. And Senator Young is a huge supporter  
19 of our center.

20 Just this week I transitioned to the  
21 role of executive director for the New York  
22 State Children's Alliance, and as I was  
23 packing up my office, I was packing up  
24 several pictures and notecards that I

1           received from children over the years. And I  
2           wanted to share one with you, because I don't  
3           know if you often have the opportunity to see  
4           the outcome of your work.

5                       But this is a case that we had, and I  
6           was the advocate that responded on the case  
7           that night. We had a 6-year-old girl -- the  
8           call came in a 6-year-old female was molested  
9           by a 13-year-old young man in her home. And  
10          we were called out at 1 o'clock in the  
11          morning. Our doctors came, our law  
12          enforcement came, child protective came, and  
13          we all worked together with this family.

14                      And about two weeks later I received a  
15          card from this little girl that said: "Dear  
16          Karen, thank you for getting up in the middle  
17          of the night to play games with me and to  
18          help me. I love the blanket and the animal  
19          that I received. I named my bulldog Cutter.  
20          Your friend, Megan."

21                      I received this message from Megan,  
22          but it's because of you that I was able to be  
23          there, that I was able to be part of this  
24          system that helped this little girl. And I

1 cannot thank you enough for all you do.

2 We are here today to ask for your  
3 continued support for this very, very  
4 important work. And I will take any  
5 questions that you have.

6 CHAIRWOMAN YOUNG: Senator Montgomery.

7 SENATOR MONTGOMERY: Yes, thank you.

8 Thank you for your testimony. And I  
9 just -- I certainly support the concept of  
10 the Child Advocacy Centers.

11 The question I have for you is child  
12 abuse does not happen in a vacuum, so it's  
13 not just the child that needs very often  
14 support. So how do we, in order to avoid  
15 hopefully some of the deaths of children that  
16 we've experienced, especially in New York  
17 City, how can we utilize your model to  
18 address the larger issues, often, of domestic  
19 violence, of homelessness, of other issues in  
20 a family that result in a child being killed,  
21 ultimately?

22 MS. HILL: Excellent question.

23 And it's working together. It's  
24 talking to --

1                   SENATOR MONTGOMERY: Together with  
2                   what other?

3                   MS. HILL: With our team. So that is  
4                   probably the biggest asset that we have as a  
5                   Child Advocacy Center. We have everyone at  
6                   the table investigating and knowing every  
7                   step of this process along the way. Our  
8                   advocates are sitting at the table and they  
9                   are with that family from the outset of an  
10                  outcry all the way through prosecution and  
11                  treatment. And they're able to help engage  
12                  caregivers in the system response and help to  
13                  engage them so that we can then help their  
14                  children to get into treatment.

15                 It's a really difficult process,  
16                 engaging a caregiver, because sometimes they  
17                 have so many different barriers that are in  
18                 the way to being able to understand that this  
19                 has happened to their child, to figure out  
20                 how do I respond in a way that helps my  
21                 child. And as a multidisciplinary team, from  
22                 the onset we are with that caregiver  
23                 explaining every step of the way. We are  
24                 explaining the process. We are that support

1           for them.

2                   And we're working with each other so  
3           that law enforcement knows what CPS is doing  
4           and the prosecutor knows what all of us are  
5           doing. Our medical providers are there  
6           saying, yes, we should perform a medical exam  
7           just to make sure this child has a healthy  
8           body.

9                   So it's that communication, that  
10          collective collaboration that really makes  
11          the difference in these cases.

12                   SENATOR MONTGOMERY: Well, I certainly  
13          look forward to -- obviously, time is so  
14          late, but I look forward to talking to you.  
15          I think it's a wonderful model that we can  
16          build an even stronger system upon so that we  
17          don't continue to have issues where we find  
18          2-year-olds and 4-year-olds and 6-year-olds  
19          beaten to death by someone in the family  
20          because there's just a total disorganization  
21          of a family. And many, many of the issues  
22          that cause that, that resulted in that --  
23          child abuse very often is a symptom of much  
24          deeper and broader issues.

1                   So thank you for your testimony.

2                   MS. HILL: Yes, absolutely. Thank  
3                   you.

4                   CHAIRWOMAN YOUNG: Thank you. Thank  
5                   you, Senator Montgomery.

6                   I just would like to say a couple of  
7                   things. And I know that you also, because of  
8                   the involvement of CPS and other agencies,  
9                   you probably do referrals to appropriate  
10                  other resources that may help with parent  
11                  education, nutrition, some of the other  
12                  issues that may arise during an  
13                  investigation; is that right?

14                  MS. HILL: That is correct. And we  
15                  are conducting assessments with families from  
16                  the onset. So that's what our advocates do.  
17                  As they're meeting with the caregivers,  
18                  they're looking at needs assessments, mental  
19                  health assessments. And if a child does  
20                  disclose abuse or if the caregiver identifies  
21                  that the child is having trauma symptoms,  
22                  we'll conduct a trauma assessment that day,  
23                  while the child first comes in for their  
24                  forensic interview.



1                   So it definitely is a holistic  
2                   approach, and it's ensuring that we are  
3                   covering all facets of that approach.

4                   CHAIRWOMAN YOUNG: Well, you know my  
5                   involvement with the Child Advocacy Centers  
6                   over the years. And I was surprised to see  
7                   you here today, and I'm delighted because I'm  
8                   very happy for you in taking on this new  
9                   responsibility. But I have to say, we're  
10                  going to miss you a lot in Olean because of  
11                  all the absolutely wonderful work you've done  
12                  over the years and the lives that you've  
13                  touched and the children that you've helped.

14                 And I know you're taking that on at a  
15                 statewide level now, which is great, and we  
16                 need your leadership. But don't be a  
17                 stranger. And congratulations on your new  
18                 position.

19                 MS. HILL: Thank you. Thank you very  
20                 much.

21                 ASSEMBLYMAN OAKS: Thank you.

22                 CHAIRMAN FARRELL: Jim Purcell, CEO,  
23                 Council of Family and Child Caring Agencies.

24                 MR. PURCELL: My staff are betting on

1           what time I would get to testify, and it  
2           appears 5 o'clock is going to win after all.

3                     Let me just run through a few things  
4           that we like in the budget and we want to  
5           commend to your attention.

6                     And it's nice to meet you, even at a  
7           distance, Chairwoman.

8                     First, COFCCA, the Council of Family  
9           and Child Caring Agencies, we represent about  
10          105 child welfare agencies that provide  
11          foster care, preventive services, adoption  
12          across the state.

13                    The best thing in the budget this year  
14          is the continuation of the open-ended funding  
15          for preventive services and child protective  
16          services. I am in close touch with my  
17          colleagues around the country, and I will  
18          tell you that it makes New York unique. We  
19          could not have the preventive service system  
20          we have, particularly in New York City, and  
21          to some extent in all the other counties,  
22          without that open-ended funding.

23                    There's a \$2 million increase in the  
24          budget for post-adoption services, which is

1       really terrific. I think it will probably  
2       allow OCFS to fund post-adoption programs  
3       that cover all the counties in the state, to  
4       provide supports to those families who have  
5       taken on kids who have often had a difficult  
6       and challenging upbringing until they got to  
7       those foster homes and then adoption homes.

8               We strongly support Raise the Age, for  
9       all the reasons that you've heard. We know  
10      there's some questions about the funding  
11      between the state and counties, and frankly I  
12      defer to the counties and the state to figure  
13      that out.

14             And finally, there's Article VII  
15      language which will authorize the Department  
16      of Health, with OCFS, to create a new  
17      licensure class. Our foster care agencies  
18      have been providing basic health services and  
19      certainly mental health services for kids for  
20      I believe at least 40 years, frankly without  
21      any oversight or licensure. And now that  
22      we're looking at going into managed care for  
23      these programs, the managed care companies  
24      cannot fund them without having some kind of

1       a license they can point to. So the language  
2       will allow the state to develop standards,  
3       and we look forward to working with them on  
4       that.

5               So much for the good news.

6               The cuts to the Foster Care Block  
7       Grant are troubling. First, it's clearly  
8       just a cost shift to the City and the  
9       counties. I admit to being particularly  
10      offended by the complete removal of state  
11      support for the tuition costs, the education  
12      costs for about 650 or 700 kids who live on a  
13      campus because they come from New York City.  
14      You're looking at a budget that the Governor  
15      says has a billion-dollar increase for  
16      education -- except for these kids.

17              And it's been explained to me, I think  
18      Commissioner Poole did a nice job this  
19      morning of explaining that it's really about  
20      balancing the shares in the budget. That's  
21      nice. And I'm sure the shares in the budget  
22      have to be balanced in some way. But to say  
23      that these kids don't get any state  
24      support -- I simply say that 10 years from

1       now nobody will remember that it was to  
2       balance some shares in 2017, and there will  
3       be some big outcry about why are these kids  
4       getting any schooling. So I'm concerned  
5       about that.

6               The other \$40 million cut in the block  
7       grant -- I frankly have never been a fan of  
8       the block grant. I think it's really damaged  
9       the state/county relationship. But the only  
10      rationale that's ever been given for it is to  
11      reduce the use of foster care. So now that  
12      we've reduced the use of foster care, we're  
13      going to cut the funding from the people who  
14      reduced the use of foster care, which makes  
15      no sense to me at all.

16             And frankly, we're looking at  
17      situations across the state of increased  
18      placements in foster care, specifically  
19      related to the opioid use. There's a state  
20      monitor now in New York City to look at their  
21      practices because there are questions about  
22      maybe some kids should be in foster care. So  
23      at the very time that the state is asserting  
24      its concern about the system, it's also

1 removing \$62 million from it. So that is of  
2 concern to us.

3 There's a second proposal which some  
4 of you asked about today, which relates to  
5 the room and board costs for handicapped kids  
6 being placed in residential settings by  
7 school districts. And again, it's a cut  
8 that's targeted only at New York City. The  
9 funding formula is strange to begin with, but  
10 it removes about 18.474 percent of the  
11 funding and will shift it to the city.

12 And the last piece I would call your  
13 attention to is the FYSA, which is the  
14 program which you and your colleagues have  
15 been so terrific about supporting over the  
16 last few years. And again, we heard this  
17 morning that the cut was because it was a  
18 legislative add and the Executive always cuts  
19 legislative adds. Well, that's not  
20 necessarily true. A few years ago the first  
21 FYSA money was added by the legislature, and  
22 the Governor put it in his budget.

23 The concern we have about this is that  
24 the money is being used to support cohorts of

1 kids. So two years ago, you provided money  
2 for the first time for a group of kids in  
3 foster care to get support to go to college.  
4 Those kids are still in college, they're  
5 probably juniors now, or sophomores and  
6 juniors. Last year we had money to do  
7 another million and a half dollars, so a  
8 group of freshmen started.

9 And so now the question is if we leave  
10 it at \$1.5 million, do we defund some of the  
11 kids who we've been funding to go to college?  
12 I don't want to be there when somebody tries  
13 to explain that. Or do we say, well, we're  
14 not going to fund any new kids this year?  
15 Even though some of the kids you met  
16 yesterday as they were lobbying here in the  
17 Legislature are those very seniors in high  
18 school who, frankly, took the initiative to  
19 be able to graduate because they saw a  
20 future.

21 So this is one where you worry that  
22 we're either in it or we're not. And so I  
23 hope that you'll join us in being in it.

24 Our asks in the budget are four at

1       this point. One is that last year the  
2       Legislature specifically, through the budget  
3       conferences, added some relatively minor  
4       funds for overtime costs in the OMH/OPWDD and  
5       special schools systems, but not in foster  
6       care. This year the Executive Budget picks  
7       up on that and has some funding for minimum  
8       wage costs for those sectors, but it doesn't  
9       do anything at all for our agencies.

10           I will tell you that the impact of the  
11       January 1, '16, increase in the minimum wage  
12       on our programs is pretty minimal. We were  
13       paying minimum wage, we were paying just  
14       above that. But by next year, this starts to  
15       bite. And we have no money to pay these  
16       costs. And what we're being told by the  
17       Executive is that in a hardship case, they  
18       would come in and help fund it. And I've  
19       suggested that the definition of a hardship  
20       case really realistically is any nonprofit  
21       that has a contract or a rate from the state,  
22       that those are the hardship ones. Because  
23       these are mandated costs that have to be  
24       covered.



1           By the way, the New York State Labor  
2           Department issued new overtime guidelines on  
3           December 28th which raised the income level  
4           at which people become eligible for overtime.  
5           The long story short is we believe virtually  
6           all of our caseworkers will now be eligible  
7           for overtime pay. That's a really good  
8           thing, except we don't have any money to pay  
9           them. So we'll tell them they can't work  
10          overtime. And now the question will be do I  
11          go to the family court hearing at 9 in the  
12          morning and not do the home visit that I'm  
13          supposed to do tonight to make sure the child  
14          is doing okay in the foster home, or do I do  
15          the home visit to make sure the child is  
16          okay, because I'm required to do so, or go to  
17          the family court session? Which can go on  
18          for hours and hours in family court.

19                So we're going to have a problem with  
20                overtime in both preventive services and  
21                foster care, and we don't even know what --  
22                people keep saying, What's it going to cost?  
23                And our answer is we don't know because we  
24                haven't been there before.

1           The second is that we've had great  
2           support from all of you in the last couple of  
3           years in signing onto a letter to the  
4           Governor after the budget passes asking for  
5           increases in the rates that we get paid.  
6           It's an administrative rate process that  
7           happens after budget. And we're this year  
8           asking you for a 4 percent increase. We know  
9           that's a little higher than what we've been  
10          getting, but we've got these minimum wage and  
11          overtime and other issues to deal with.

12          We'd like to see a \$15 million capital  
13          appropriation for the deferred maintenance  
14          that agencies couldn't do on their  
15          residential programs during the seven years  
16          that we had no increases. So the boiler  
17          broke, or one of the kids punched a hole in  
18          the wall, we've got to replace it because  
19          that's a reminder to all the kids about the  
20          trauma. And so we're looking for \$15 million  
21          in capital funding.

22          And finally, a million dollars for  
23          loan forgiveness and scholarships for people  
24          working in the child welfare field so that

1           they can begin to see this as a career that  
2           will support them as they go on.

3                   I'm almost out of time, but I wanted  
4           to spend a little time telling you about our  
5           biggest problem. I've been working in  
6           juvenile justice and child welfare for over  
7           40 years, which means I'm over 56 years old,  
8           which means that Ryan, who said that, that I  
9           didn't train him very well when he worked in  
10          our office to respect his elders, if nothing  
11          else.

12                   (Laughter.)

13                   MR. PURCELL: I've never seen, I've  
14          never seen a workforce crisis like our  
15          agencies are facing right now in our field.  
16          They cannot find staff to hire. There are  
17          500 families waiting for preventive services  
18          in the City; we can't hire caseworkers. We  
19          will see, in the coming year, residential  
20          agencies begin to close units because I as  
21          the executive director can't sleep at night  
22          thinking about the two childcare workers I  
23          just hired and their skill level with those  
24          particular kids.

1           Clarence Sundram, when we wrote the  
2           report that created the Justice Center,  
3           pointed out that firing people for making  
4           simple mistakes means you go back to the same  
5           job pool that you faced in the first place  
6           and hire the next-best candidate, not the  
7           best candidate.

8           And that's what we're facing now. We  
9           are seeing this all across the state, where  
10          we are simply unable to find staff who we  
11          feel are able to provide the services to --  
12          frankly, a very sophisticated set of services  
13          to kids. As the foster care population has  
14          shrunk, it's not the random foster child  
15          who's no longer placed in care. It's the  
16          kids with the most complex problems, the  
17          families with the most complex problems. And  
18          particularly in residential care we see this  
19          as a mix of kids without the kids who maybe  
20          got with the program better in the past and  
21          provided some guidance to their peers.

22          So the system is under huge challenge.  
23          I could give you other examples, but I'll  
24          pass on that.

1           The last thing I would note, with just  
2           one second, is I refer you -- and you'll be  
3           particularly interested in this, Senator --  
4           there's a terrific op-ed piece today in the  
5           Daily News by Steve Burghardt.

6           SENATOR SAVINO: I've seen it.

7           MR. PURCELL: I'm going to call Steve  
8           and say, why didn't you include us in it,  
9           but -- I'm sure he would.

10          It's a really terrific statement about  
11          the real pressures that people are under in  
12          this field and the consequences of that. And  
13          it's not just about people who don't want to  
14          do their job.

15          With that, I'll thank you and of  
16          course be happy to answer any questions.

17          CHAIRMAN FARRELL: Thank you very  
18          much.

19          Questions?

20          SENATOR KRUEGER: Senator Velmanette  
21          Montgomery.

22          SENATOR MONTGOMERY: I just want to  
23          make a quick comment. I fully support the  
24          request for the college career, the college

1 students. This is just so exciting. And of  
2 course I met some of the young people  
3 yesterday, so it's very fresh in my mind and  
4 I understand it.

5 And if we're going to really talk  
6 about changing the trajectory of young people  
7 in our state, this is the way that we're  
8 going to be able to do that. Because in the  
9 past, foster care was part of the pipeline to  
10 prison. So you've changed that. And I want  
11 to compliment you that this really is  
12 something to be supported. And that you're  
13 partnering with the higher ed opportunity  
14 programs to make it a more fully supportive  
15 experience for young people makes all the  
16 sense in the world to me. So thank you very  
17 much.

18 MR. PURCELL: Thank you.

19 SENATOR MONTGOMERY: And look forward  
20 to --

21 MR. PURCELL: Continuing.

22 SENATOR MONTGOMERY: -- us being able  
23 to get that funding for you.

24 MR. PURCELL: Thank you.

1                   CHAIRMAN FARRELL:   Yes.

2                   ASSEMBLYWOMAN JAFFEE:  I too have met  
3                   the young men and women last year, as well as  
4                   this year.  They're very impressive and  
5                   clearly deserve this kind of support, and I  
6                   also am going to support this.  It's  
7                   extraordinary, it really is.

8                   MR. PURCELL:  These kids have an  
9                   amazing resiliency to them that if we just  
10                  pay attention to that a little bit, they can  
11                  do really well.

12                  ASSEMBLYWOMAN JAFFEE:  Thank you.

13                  MR. PURCELL:  Thank you.

14                  CHAIRMAN FARRELL:  Thank you.

15                  SENATOR KRUEGER:  Thank you very much.

16                  CHAIRMAN FARRELL:  Next, Stephanie  
17                  Gendell, associate executive director,  
18                  advocacy and policy, Citizens' Committee for  
19                  Children.  1:20.

20                  And Jessica Klos should move closer,  
21                  Jenn O'Connor closer, Tim Nichols.  If you  
22                  come down, you can get there quickly.  So if  
23                  you're all the way upstairs, come on down.

24                  MS. GENDELL:  Good evening, or

1           afternoon. My name is Stephanie Gendell.  
2           I'm the associate executive director at  
3           Citizens' Committee for Children.

4                   I want to first thank you for this  
5           opportunity to testify and also thank you all  
6           so much for staying this long into the  
7           evening so that we're actually testifying in  
8           front of people. It really is nice to do  
9           that, and I really appreciate it. And in  
10          return, I will keep my remarks as brief as  
11          possible. Jim Purcell and I often testify  
12          one after each other, in either order, both  
13          here and in the City, and so I'll say what he  
14          would say, which is "I support everything Jim  
15          said."

16                   I did want to start, though, by  
17          talking about child welfare. This is my 10th  
18          time testifying at the Human Services budget  
19          hearing about child welfare, and in all  
20          previous times I've always asked the state  
21          for an increased investment in child welfare.  
22          And unfortunately, now when we're seeing  
23          child welfare in the news every day and the  
24          Governor has come forward expressing his



1 concerns about child welfare, I'm actually  
2 here urging everyone not to take money out of  
3 child welfare, which is not the position I'd  
4 really want to be in.

5 To be very clear, the cut to the  
6 Foster Care Block Grant is \$62 million total;  
7 \$39 million of that is statewide -- about  
8 half would be for New York City -- and then  
9 another \$23 million just to New York City.  
10 Plus the \$19 million cut we've talked about  
11 on the Committee on Special Education  
12 Placements, which also comes out of the child  
13 welfare agency budget. So the city cut is  
14 also, on its own, about \$62 million.

15 And foster care is a mandatory  
16 service, although it sounds like upstate  
17 they're not using it as much as they should  
18 for kin. But it's technically a mandatory  
19 service. And so when ACS is trying to figure  
20 out what to do with its budget to accommodate  
21 a \$62 million cut, they're going to have to  
22 cut from somewhere. It could be protection,  
23 it could be prevention, it could be  
24 caseloads, it could be the services that

1 foster parents and foster children get. It's  
2 a really deeply disturbing cut.

3 And I realize it's a very large amount  
4 to be asking for, but we're asking for it  
5 anyway.

6 In addition, we've had this  
7 long-standing issue of the KinGAP program  
8 also being funded out of the Foster Care  
9 Block Grant. Those are children no longer in  
10 foster care. It should be funded in the same  
11 way as adoption subsidy, so that children no  
12 longer in foster care are not taking money  
13 away from foster children.

14 We support the maintaining open-ended  
15 on prevention. We urge restoring that  
16 3 percent continued cut since 2008 and  
17 investing it into primary prevention, which  
18 would allow preventive services before  
19 families came to the attention of child  
20 welfare.

21 We also support the housing subsidy  
22 bill that's now introduced in both houses  
23 that would increase the amount as well as the  
24 age for youth. And we hope that can pass in

1 the legislative session.

2 I'm not going to reiterate everything  
3 that we just talked about FYSA, but I  
4 appreciate all of your support for that.

5 Turning to childcare, we object to the  
6 \$27 million essentially swap of childcare  
7 state money for Title XX federal money. So  
8 childcare is not actually getting any  
9 increased funding, and senior centers and  
10 other services are losing funds. I find this  
11 actually to be a distraction from the real  
12 issue. We are all going to fight to bring  
13 back the \$27 million of state funds so that  
14 TANF can continue to support senior centers.

15 The real issue is that childcare is  
16 not funded sufficiently, and we're no longer  
17 really talking about that. But there are  
18 many, many children who are eligible for  
19 childcare and not receiving childcare. It is  
20 the best preventive service. If we want to  
21 help families and prevent child abuse, we  
22 need to give parents childcare options.

23 The other thing is that the federal  
24 government has passed, several years ago now,

1       2014, new child safety regulations that we  
2       sought a waiver from so that we didn't have  
3       to pay for them. They require background  
4       checks on childcare providers. And we got a  
5       one-year waiver. If we do not get another  
6       waiver, we need funding so that we don't have  
7       to cut childcare.

8               Interestingly, the budget requires --  
9       has an Article VII bill that would have  
10      required background checks for those working  
11      in homeless shelters working with children,  
12      but we're still seeking this waiver for those  
13      working in childcare.

14             Speaking of homelessness, we support  
15      Assemblymember Hevesi's Housing Stability  
16      Support Program. The homelessness crisis in  
17      New York City is severe, as well as other  
18      parts of the state, and this would help  
19      alleviate some of that.

20             We are in the process of cochairing a  
21      family homelessness task force, and due to  
22      release recommendations about how to better  
23      meet the needs of children and families and  
24      their well-being while in the shelter system,

1           and keeping them out, in the next month or  
2           so, and we can keep you in the loop on those  
3           recommendations once we have them.

4                   On food and economic security, we  
5           support increasing the funding for emergency  
6           food programs. Last year you passed and the  
7           Governor signed a great piece of legislation  
8           that enables families to directly put a  
9           portion of their state tax refund into a 529  
10          college savings account. So we're now -- the  
11          counter piece to that would be to allow those  
12          on public assistance to be able to have 529s  
13          waived from the asset limit test so they can  
14          actually take advantage of that law that  
15          passed last year.

16                   And speaking of public assistance  
17          families, we object to the proposal to take  
18          100 percent of their Lottery winnings. And  
19          if that is to go forward, there needs to be a  
20          real PR campaign so that people on public  
21          assistance know that they shouldn't buy  
22          Lottery tickets because the state's going to  
23          take their winnings.

24                   On juvenile justice, we urge you to

1 pass Raise the Age this session in a  
2 comprehensive manner. We've included in our  
3 testimony seven principles and concepts that  
4 we believe are equivalent to true Raise the  
5 Age legislation. I won't go through all of  
6 them now, because we've been talking about  
7 them now for many years and we haven't  
8 changed our position.

9 But I will say that every year that we  
10 don't pass Raise the Age is another year of  
11 16- and 17-year-olds at Rikers not receiving  
12 services, receiving permanent criminal  
13 records. As you know, we're one of only two  
14 states that does this. So a child from  
15 New Jersey who did the exact same thing as  
16 someone from New York, applying to a job in  
17 New York or a school in New York, will have a  
18 leg up against the child from New York. We  
19 should be doing better by our own children.

20 And then finally, I just want to  
21 support what Jim talked about with regard to  
22 better supporting the human service sector.  
23 And, finally, say that we're concerned that  
24 there is language all throughout the budget

1           that essentially says that if there are any  
2           reductions in federal aid, that the  
3           Department of Budget can unilaterally cut the  
4           allocations to the counties without your  
5           approval or really notice to anybody. That  
6           will make it very hard for counties to plan,  
7           and we're deeply concerned that there could  
8           really be federal cuts and that we would want  
9           a transparent process for how we handle that.

10           Thank you.

11           CHAIRMAN FARRELL: Thank you.

12           SENATOR KRUEGER: Thank you.

13           CHAIRMAN FARRELL: Questions? All  
14           right, moving right ahead.

15           Jessica Klos, director, policy and  
16           community education, Early Care & Learning  
17           Council.

18           MS. KLOS SHAPIRO: Hi. Thank you for  
19           the opportunity to provide comments and for  
20           staying to listen to them.

21           So the Early Care & Learning Council  
22           is a statewide not-for-profit that represents  
23           the childcare resource and referral agencies  
24           that are embedded in the communities

1           throughout the state. There are 34 of them  
2           in total. We are also part of Winning  
3           Beginning NY, which is the larger early  
4           childhood advocacy organization.

5           My comments today will mostly focus on  
6           childcare. And while some of these stats  
7           will sound repetitive, they're even things  
8           that the commissioner addressed this morning.  
9           When we talk about that only 17 percent of  
10          eligible children and families are served  
11          with childcare subsidies, there's a lack of  
12          money in the system.

13          So some of those things that I will  
14          read is I did want to emphasize a study that  
15          our organization did earlier last year. And  
16          also recently released from our national  
17          organization is the reasons why this is so  
18          important, what happens when parents don't  
19          have childcare. And it's alarming the sheer  
20          cost of childcare in New York State. The  
21          average is \$9100 a year for infants, \$8,341  
22          for a toddler, \$7,629 for a preschooler,  
23          \$4,413 for school-age care. If it's a single  
24          parent, they pay 55 percent of their income



1       for infant care and nearly 100 percent of  
2       their income for center-based care for two  
3       children. Married parents of two children  
4       living at the poverty line pay 129 percent of  
5       their income for center care, which basically  
6       a lot of parents can't afford to do and,  
7       without assistance, could not.

8               So we also found in our survey -- it  
9       did not include New York City and Long  
10      Island. It was largely an upstate survey  
11      that showed that 93 percent of families  
12      earning less than \$50,000 and receiving a  
13      subsidy, as well as 80 percent of families  
14      earning less than \$50,000 and not receiving a  
15      subsidy, faced difficulty paying for  
16      childcare. Parents who struggle to pay for  
17      childcare are forced to make hard financial  
18      decisions. And these are things like  
19      borrowing money from friends and family, and  
20      creditors, and compromising basic needs.  
21      They cut back on work hours, the hours that  
22      they can have their children in care, and  
23      they assemble a patchwork of solutions that  
24      families cobble together. And my colleagues

1       just talked about child welfare and  
2       prevention, and we know that these are the  
3       situations when parents are scrambling --  
4       they're well-intentioned, but these are when  
5       abuse and neglect happen, because they are  
6       stressed.

7               So we are fully in support of the  
8       \$100 million ask for subsidies. With these  
9       facts really backing them up, there's a need.

10              In addition to that, our agencies help  
11      parents to find childcare. And the industry  
12      in New York State of childcare is a  
13      \$4.7 billion industry, and it provides  
14      120,000 jobs. So it's an industry that's not  
15      going away and one that's very much needed.  
16      So strengthening an investment into the CCR&R  
17      agencies would provide continued education to  
18      parents as well allow as the provider  
19      community to continue to provide quality  
20      care. And this can be anything from what's  
21      best for parents -- they could be online,  
22      in-person, on the phone. But for providers  
23      that could also be training sessions that are  
24      off-site, on-site at the childcare center,

1       online, and also methods that are coaching,  
2       mentoring, and technical assistance.

3               We want to make sure that in these  
4       vulnerable years -- I did not include the  
5       stuff that we've gone over in the past years,  
6       which is the brain development and knowing  
7       that in those critical years, if we catch  
8       children from zero to 3, we will definitely  
9       prepare them better for the future.

10              One of the other budget asks that I  
11       would like to emphasize is we are also in  
12       full support of restoring the \$27 million to  
13       the General Fund and not having that swap of  
14       money. We're fearful that in the end,  
15       childcare in certain counties will get  
16       reduced. Because if it's already required to  
17       be there, then they're not really gaining  
18       anything and it could be a loss.

19              I also just wanted to quickly add that  
20       we are in full support of expanding the  
21       investment in QUALITYstarsNY, because we know  
22       that that really bolsters the full quality of  
23       the program and lets us know that these are  
24       definitely investments that are competitive

1 and are being spent in the right places.

2 And we also would like a continued  
3 investment in high-quality after-school and  
4 expanded learning. My colleagues that are  
5 speaking after me will speak more to this.  
6 But specifically, a restoration to Advantage  
7 After School, which was chopped down to what  
8 the Executive level was last year. And we  
9 thank the Legislature for the multiple years  
10 we know you've put funding in, but we're  
11 afraid that if that doesn't happen again, we  
12 actually know that programs will be forced to  
13 shut. And while the Governor is putting in  
14 \$35 million in certain cities and we're very  
15 supportive of that, other programs can't be  
16 cut at the same time. It doesn't make sense.

17 So I just would like to thank you for  
18 allowing me to provide these, and I can  
19 answer any questions.

20 CHAIRMAN FARRELL: Thank you.

21 SENATOR KRUEGER: Thank you very much.

22 ASSEMBLYWOMAN JAFFEE: Just -- I want  
23 to thank you and thank early childcare. I  
24 see this as a very strong economic

1        development initiative for us to be able to  
2        move forward with. It provides jobs, it  
3        provides an assurance that our children have  
4        the kind of support and the opportunity to  
5        have the exposure to very strong social  
6        skills, academic skills, and a safe  
7        environment.

8                So it's something that is very  
9        essential and important. As a matter of  
10       fact, in this room several years ago, we had  
11       a huge hearing that I ran for QUALITYstarsNY,  
12       and I heard parents talk about what that did  
13       for their children. So we need to support  
14       it. And thank you very much.

15               MS. KLOS SHAPIRO: Thank you for your  
16       support.

17               CHAIRMAN FARRELL: Jenn O'Connor,  
18       director of policy and advocacy, Prevent  
19       Child Abuse New York.

20               MS. O'CONNOR: Hello. Thank you for  
21       having me this afternoon. I also want to say  
22       that I am cochair of Winning Beginning NY as  
23       well; Jessica mentioned that coalition.

24               Prevent Child Abuse New York recently

1 put out a series of position papers on  
2 everything from increasing economic stability  
3 to protecting reproductive health. Those are  
4 attached to my testimony; you have those in  
5 front of you. But I will focus on just two  
6 programs today that are germane to this  
7 group.

8 One program is maternal, infant, and  
9 early childhood home visiting. There's  
10 65,000 children in our state who are abused  
11 or neglected each year. We know that  
12 research-based home visiting could cut that  
13 number in half. That's why we're asking you  
14 to maintain \$26.8 million in funding and  
15 increase funding for programs by \$9.5  
16 million. If that budget ask sounds familiar,  
17 that's because it's very similar to last  
18 year's request.

19 In short, New York State funding for  
20 those programs has been flat for nearly a  
21 decade, since 2008. Which means that  
22 programs have cut essential services and are  
23 able to serve fewer children.

24 I won't describe in detail what that

1 investment would mean for specific programs.  
2 You can see that in my lengthier testimony.  
3 I will ask that you consider those 65,000  
4 children when you're making your funding  
5 decisions.

6 The second program that I want to  
7 discuss is childcare. The Executive Budget  
8 does not include any new funding for  
9 childcare subsidies for low-income working  
10 families. It also does not include new  
11 funding to implement the requirements of the  
12 federal Childcare and Development Block  
13 Grant, which you know as CCDBG.

14 In fact, the Governor's budget  
15 actually reduces General Fund support for  
16 childcare, replacing it with \$27 million in  
17 Title XX funding. This funding is used by  
18 local social services districts for critical  
19 programming. You've heard today over and  
20 over again about the senior services that  
21 would be impacted by that transfer of funds.

22 This pits one vital service against  
23 another and would result in a net loss for  
24 counties. We oppose this transfer of funds

1           and urge you to find money for subsidies  
2           elsewhere. As Stephanie said, we believe  
3           this is just a distraction from the fact that  
4           childcare is woefully underfunded.

5                     We also ask that you increase funding  
6           for subsidies by \$100 million. Currently  
7           only 17 percent of eligible children receive  
8           a subsidy, leaving 83 percent of low-income  
9           parents to struggle to pay out of pocket or  
10          leave their child in unsafe, possibly illegal  
11          care.

12                    We feel strongly that it's time to  
13          create an Early Learning Fund with a  
14          dedicated revenue stream for childcare  
15          subsidies. We are in a crisis that is not  
16          only going to negatively impact children's  
17          development, but result in job loss. You  
18          know this. Working parents cannot work  
19          without childcare. And when parents are  
20          stressed about their childcare, when they  
21          don't have childcare or the care that they do  
22          have is unreliable, they sometimes take that  
23          stress out on their children. That's why  
24          it's a priority for Prevent Child Abuse



1 New York.

2 I will, as cochair of Winning  
3 Beginning NY, just mention one last program.  
4 While the Executive Budget adds \$35 million  
5 for new after-school programs in high-poverty  
6 cities, it also cuts Advantage After School  
7 by \$5 million. We need to restore that in  
8 order to keep existing programs open.

9 I thank you for your time, and I'm  
10 happy to take any questions.

11 CHAIRMAN FARRELL: Thank you.

12 ASSEMBLYMAN OAKS: Senator Montgomery.

13 SENATOR MONTGOMERY: Just very  
14 quickly, certainly, you know, we have a lot  
15 of discussion around the issue of child  
16 abuse. And as I said before, earlier,  
17 obviously child abuse is not, in and of  
18 itself, the issue solely.

19 MS. O'CONNOR: Correct.

20 SENATOR MONTGOMERY: So treating the  
21 child or treating that particular aspect of a  
22 child's life is not necessarily ...

23 So I just want to say that I'm hopeful  
24 that we can begin as a network of

1 organizations like PCANY to identify what the  
2 symptoms represent and to go deeper and to  
3 begin to create a community-strengthening  
4 response to this issue. It's a very, very  
5 difficult and terrible one.

6 And I'm not sure that -- I know  
7 everybody talks about home visiting, and this  
8 is a throwback to a time when the social  
9 worker appeared at your home and you were  
10 punished or penalized for whatever was  
11 happening in your home. That is a problem in  
12 some cultures.

13 So I'm not sure how to really support  
14 that, and if I should or -- I'm not totally  
15 comfortable, necessarily, with it as an  
16 answer to the fact that there are such dire,  
17 stressful situations that families encounter.  
18 And we're not addressing these issues, we're  
19 just addressing a symptom. And it's not  
20 really working. It hasn't worked, especially  
21 in New York City.

22 MS. O'CONNOR: Right. Yeah, thank  
23 you, Senator. We're very focused in my  
24 organization now on the root causes of

1       prevention, so getting away from that, you  
2       know, one piece and getting more into  
3       economic instability and housing and those  
4       sorts of things.

5               I will say that home visiting as it  
6       stands in the state now is a voluntary  
7       program. It's not for everyone. We can  
8       certainly understand that some families are  
9       anxious about having people come into their  
10      homes. But I do think, you know, there are  
11      huge gaps around the state where it could be  
12      a valuable tool. But it is just one of  
13      several services available.

14             SENATOR MONTGOMERY: Thank you.

15             MS. O'CONNOR: Sure.

16             CHAIRMAN FARRELL: Thank you.

17             Tim Nichols, executive director,  
18      Association on Aging in New York.

19             MR. NICHOLS: Good afternoon.

20             CHAIRMAN FARRELL: Good afternoon.

21             MR. NICHOLS: Thank you, Assemblyman  
22      Farrell, and Senator Young, and all the  
23      members of the committee for your work today.  
24      I know the hour is late, so I will keep my

1           comments brief.

2                   CHAIRMAN FARRELL:   Thank you.

3                   MR. NICHOLS:   My name is Tim Nichols.

4           I am the executive director of the  
5           Association on Aging in New York.  Our  
6           association represents the 59 mostly  
7           county-based area agencies on aging  
8           statewide.

9                   In addition to our written testimony  
10          that we are submitting to you now, yesterday  
11          our association joined with Lifespan and  
12          LiveOn NY in an advocacy day in which we met  
13          with many members in both the Senate and  
14          Assembly, including Senator Serino, the chair  
15          of the Aging Committee in the Senate, and  
16          Assemblywoman Lupardo, the chair of the Aging  
17          Committee in the Assembly.  And we will  
18          continue our advocacy efforts moving forward.

19                  But what I'd like to do right now is  
20          just bring to your attention to some of the '  
21          key areas of the budget that we are most  
22          concerned with.  And the first part is the  
23          recommendation to remove the 25 percent match  
24          exemption in the community services for the

1       aging part of the budget. We are extremely  
2       opposed to that, very worried that that  
3       exemption language was not included. And we  
4       urge the Senate and Assembly to consider  
5       restoring that language in your budget  
6       resolutions.

7               We also are worried and concerned  
8       about the transportation funding, the  
9       \$1.1 million that was recommended by the  
10      Executive to be included in the CSE part of  
11      the budget. We would prefer to see that as a  
12      stand-alone line item. We think when we see  
13      line items in, in this case, the Office for  
14      the Aging budget, it's important, it's an  
15      important statement that there's state  
16      support for these types of programs.

17             The second part of the budget that  
18      we're very worried about is the NY Connects,  
19      shifting the \$3.5 million to the global  
20      Medicaid cap and the BIP pot of revenue.  
21      What we feel if we -- by doing that, that  
22      really jeopardizes that very important  
23      program that serves about 230,000 New Yorkers  
24      every year. It has been operational for

1 almost 10 years now. And having that funding  
2 separated from the budget and put into the  
3 Department of Health's global cap really puts  
4 that program at grave risk. And, you know,  
5 that is something that we're clearly opposed  
6 to. We ask that you not accept that in your  
7 budget resolutions.

8 With respect to the \$700,000 proposed  
9 cut for the elderly abuse portion of the  
10 budget, we too would request that that be  
11 restored. This is a program that has been  
12 shown to be effective as well. Elder abuse  
13 is a serious concern to us. It affects an  
14 estimated 260,000 older New Yorkers annually.  
15 It's estimated that this type of crime costs  
16 New Yorkers statewide \$1.5 billion annually.

17 We like seeing the ideas that were  
18 suggested by Governor in the budget to expand  
19 programs to identify and prevent financial  
20 exploitation. But again, it doesn't really  
21 make sense when at the same time there's a  
22 proposal to cut \$700,000 in funding.

23 And the last item that we want to make  
24 sure that we emphasize that we oppose is the

1           shifting of the Title XX funding. In  
2           New York City alone, that would result in the  
3           closure of 65 senior centers, a \$17 million  
4           cut in support for senior centers in New York  
5           City. We think that's a shortsighted  
6           proposal, and we urge you to reject that as  
7           well.

8                     I kind of went through this quickly.  
9           If you have any questions, my contact  
10          information is on the testimony that was  
11          provided for you.

12                    CHAIRMAN FARRELL: Thank you.

13                    MR. NICHOLS: Thank you.

14                    ASSEMBLYWOMAN JAFFEE: Thank you.

15                    CHAIRMAN FARRELL: Alli Lidie,  
16          associate executive director, New York State  
17          Network for Youth Success.

18                    MS. LIDIE: Thank you for the  
19          opportunity to present testimony to you  
20          today. I am Alli Lidie. I'm the associate  
21          executive director at the New York State  
22          Network for Youth Success, formerly known as  
23          the New York State After-School Network.

24                    I am joined by today by Emily

1       Hofelich-Bowler, the executive director at  
2       the Addison Youth Center, and by Quinn  
3       Bowler, a student at Corning High School.

4               First I would like to thank you for  
5       your recent investments in the Advantage  
6       After School program. That resulted in  
7       \$5 million in increases over the last two  
8       years, and these increases have helped to  
9       serve an additional 3600 students across the  
10      state.

11              We would also like to bring attention  
12      to the fact that the Governor's proposed  
13      budget includes a \$5 million reduction to  
14      Advantage over last year's final budget.  
15      Unfortunately, if the final budget maintains  
16      this cut, it will leave the Office of  
17      Children and Family Services without enough  
18      uncommitted funds to release a new  
19      competition for funding this year. And 56 of  
20      the programs that are served under Advantage,  
21      with an estimated 5,000 students, are set to  
22      expire this coming November. And so those  
23      programs would end without something else to  
24      apply for.



1           One note of clarification. We've  
2           heard today about the Governor's proposal for  
3           the Empire State After-School Program. Which  
4           is \$35 million in the education budget. And  
5           this would expand access to approximately  
6           22,000 students across the state in  
7           high-needs areas in the 16 Empire State  
8           Poverty Reduction Initiative areas.

9           We're fully supportive of investing in  
10          and growing this proposal, but as proposed,  
11          it's not a replacement for the Advantage  
12          After School programs that will be cut if  
13          funding is not restored. There are over  
14          3,000 students served in programs outside of  
15          those 16 ESPRI cities that are ending this  
16          year. And so those programs and those  
17          students would not have anything else to  
18          apply for, even if this new proposal for  
19          after-school programming goes through.

20          So we are requesting that the  
21          Legislature appropriate \$32.8 million to the  
22          Advantage After School Program. This would  
23          restore the \$5 million that was cut and then  
24          add an additional \$10.5 million to expand the

1        number of students served back to the  
2        pre-recession level of 20,000 students, and  
3        also provide enough funding for the Office of  
4        Children and Family Services to raise the  
5        per-student allotment rate for students from  
6        \$1,375 to \$1,600. And that would align this  
7        funding stream with the other after-school  
8        funding streams currently in the state as  
9        well as the proposed funding stream for  
10       Empire State After-School, and it would allow  
11       programs to meet the demands of the rising  
12       minimum wage without cutting back on program  
13       hours or supplies or curriculum.

14                    And to talk more about these programs,  
15       I'd like to introduce Emily.

16                    MS. HOFELICH-BOWLER: Hello, my name  
17       is Emily Hofelich. Thank you for having me.  
18       I run after-school programs for Advantage in  
19       Addison, New York. It's a small rural  
20       community in Steuben County. We currently  
21       serve about 140 students a day. That's about  
22       21 percent of our targeted population. And  
23       we do have waiting lists, so we would take  
24       more kids if we had more funding.

1           Addison has a population of  
2           approximately 2500 people. Sixty-two percent  
3           of students are considered economically  
4           disadvantaged, and a lot of our parents work,  
5           multiparent families with -- multiparent  
6           working inside the home {sic}. And  
7           after-school programs provide a safe place  
8           for their children after school.

9           One example I can give is we have a  
10          mother of four. All of her children are  
11          school-age. One is in high school; he works  
12          for me at Advantage. And then three of her  
13          children are also part of our Advantage  
14          program. Her husband is an on-the-road  
15          trucker. She's trying to go to school and  
16          work at the same time to help support her  
17          family. And without Advantage, she would not  
18          be able to do that.

19          We also have a lot of high school  
20          students. We have a bit of a drop-out rate.  
21          One example I can give you is a student that  
22          we had at our program, and she did not  
23          graduate. We were really trying to get her  
24          to go back for her fifth year and graduate

1           and pass those Regents exams. We as an  
2           organization, I personally met with the  
3           principal, her mother, and the student and  
4           made an agreement that if she went to school,  
5           she could work for me at Advantage. I am  
6           happy to say she has graduated and she is  
7           still working for the program, and hopefully  
8           she will be continuing her education.

9                        So that's just a couple of examples.  
10          Another issue is the impact of the minimum  
11          wage increases. We every year are cutting  
12          our program shorter. There are weeks we're  
13          having to close because we can't afford it.  
14          Right now we have a teen center, which it's  
15          hard enough to attract 13-and-overs to come  
16          to an after-school program, but we have about  
17          a \$90 supply budget for a month. And with  
18          the increases in the minimum wage, we're  
19          going to struggle with that budget again  
20          trying to find these supplies to keep these  
21          kids engaged and having a good time.

22                       So I know that \$35 million has gone  
23          into after-school; that will not affect our  
24          program. And I just would encourage you to

1 not overlook our small rural communities. We  
2 don't have a lot of access to resources, and  
3 these resources are very important.

4 So now I'll introduce my son. This is  
5 Quinn Bowler.

6 MR. BOWLER: My name is Quinn Bowler,  
7 and I'm a freshman at Corning High School.  
8 I'm here today to share why after-school  
9 programs matter and why these programs should  
10 be available to more students across the  
11 state, because I benefited directly from  
12 participating in one myself.

13 I participated in after-school  
14 programs every year up until this year, and  
15 even attended an Advantage program throughout  
16 middle school. At my program I received a  
17 healthy snack when I arrived, had an  
18 opportunity to complete my homework or  
19 participate in an activity, and then,  
20 depending on the weather, of course, would  
21 have a chance to go outside and play.

22 While I'm definitely a fan of gym and  
23 sports, especially hockey, I found that I  
24 benefited most from homework help I received

1       after school. I struggled with math quite a  
2       bit and sometime found it hard to follow what  
3       my teacher was explaining during class. My  
4       after-school program provided time to  
5       complete any homework assigned during school  
6       and also offered tutoring help for anyone  
7       that needed it.

8               Because of this, I was able to work  
9       with a staff member one-on-one and receive a  
10      different perspective on math than my teacher  
11      provided, which helped me better understand  
12      what I was doing. The homework and tutoring  
13      help I received during this program was a big  
14      reason why I received an A-plus in math this  
15      past school year.

16             My after-school program provided a  
17      relaxed setting where students and staff had  
18      a chance to talk about schools, sports,  
19      hobbies and life. One program staff member  
20      that I really connected with was Brian.  
21      Brian was someone who was very easy for me to  
22      talk to. This connection is something that  
23      students in programs everywhere benefited  
24      from. Program staff can act as mentors or

1           can simply provide someone to talk to to help  
2           students like myself understand how to deal  
3           with school or life.

4                   My story is not unique. And I know  
5           I'm one of the lucky kids that got to  
6           participate in these programs, when so many  
7           other kids still do not have access to one.  
8           We need more funding for these programs so  
9           that more students have the opportunity to go  
10          somewhere safe and productive after school  
11          and have the chance to build relationships  
12          with staff members who can help them deal  
13          with life as a middle school or high school  
14          student.

15                   Thank you guys, and I hope my global  
16          teacher will give me extra credit.

17                   (Laughter.)

18                   MS. LIDIE: Thank you. We're happy to  
19          answer any questions.

20                   CHAIRMAN FARRELL: Thank you.

21                   ASSEMBLYMAN OAKS: Actually, I just  
22          have one quick one.

23                   I had one of the local after-school  
24          programs come and say that some of the

1 regulatory issues of -- teachers, for  
2 instance, you know, might not be able to  
3 interact with students if they're not  
4 approved to be in the after-school program,  
5 even though it might be held at the school,  
6 it might be in a different part.

7 I'm not sure if that's specifically  
8 the Advantage ones or maybe some of the other  
9 after-school programs. But I'm just  
10 wondering quickly if there are some  
11 regulatory issues or concerns that you have  
12 that we might be able to respond to.

13 MS. LIDIE: So the regulations apply  
14 to almost all of the after-school programs.  
15 Any one that's run by a community-based  
16 organization like Emily's would have a  
17 school-aged childcare registration through  
18 the Office of Children and Family Services.

19 We actually were able to work with the  
20 Assembly and with the Office of Children and  
21 Family Services and State Education  
22 Department over the last year, through a  
23 series of roundtables, to deal with some of  
24 the issues for the physical plant



1 requirements for programs operating in school  
2 buildings.

3 And so that really opened a dialogue  
4 with providers they hosted across the state,  
5 and that was largely due to a lot of the work  
6 from the Legislature in getting that to the  
7 attention of, and to the work from OCFS and  
8 SED.

9 And so we're hoping to further those  
10 conversations around some of the other  
11 issues, what you raise around the staff  
12 member background checks and some duplicative  
13 background checks and fingerprinting are  
14 still issues on the table that are being  
15 discussed.

16 ASSEMBLYMAN OAKS: Okay. Thank you  
17 for your work on that. And hopefully we can  
18 be helpful as well.

19 MS. LIDIE: Thank you.

20 MS. HOFELICH-BOWLER: Thank you.

21 SENATOR KRUEGER: Thank you very much.

22 CHAIRMAN FARRELL: Thank you.

23 CHAIRWOMAN YOUNG: Thank you for  
24 coming. I hope you get extra credit.

1 (Laughter.)

2 CHAIRMAN FARRELL: Allison Sesso,  
3 executive director, Human Services Council,  
4 for Restore Opportunity Now. Oh, yes, and  
5 you have with you Mallory Nugent, senior  
6 policy analyst, and Ron Deutsch --

7 MS. NUGENT: I've been deserted, so  
8 it's just me. I'm Mallory Nugent, from FPWA.

9 CHAIRMAN FARRELL: Which one are you,  
10 are you Allison?

11 MS. NUGENT: Mallory Nugent, senior  
12 policy analyst at FPWA.

13 CHAIRMAN FARRELL: Oh, Mallory, okay.

14 MS. NUGENT: Thank you so much for the  
15 opportunity to testify tonight. I know it's  
16 towards the end of the evening, so I'll try  
17 and keep it short. I provided you with  
18 lengthy testimony that I will not read from  
19 directly.

20 As I mentioned, I'm a senior policy  
21 analyst at FPWA. FPWA is an antipoverty  
22 policy and advocacy membership organization  
23 based in New York City. FPWA, along with  
24 Human Services Council and the Fiscal Policy

1       Institute, are cochairs of the Restore  
2       Opportunity Now campaign. Restore  
3       Opportunity Now is a statewide campaign to  
4       ensure the strength and stability of the  
5       human services sector, supported by more than  
6       350 nonprofits from across the state.

7               In talking with providers across the  
8       state, we've seen the tremendous impact a  
9       lack of resources in the sector has had on  
10      the ability to provide crucial services --  
11      everything from childcare to senior services,  
12      and all the other programs that we've heard  
13      about today. Underfunding in this sector has  
14      always been an issue, but we've reached a  
15      critical point.

16             From 2007 to 2011, funding for human  
17      services grew at a modest 3 percent average  
18      per year. Since 2011, it has steadily  
19      declined at an average of 1.3 percent per  
20      year adjusted for inflation. This means that  
21      the sector had \$500 million less last year  
22      than it would have if the growth pattern had  
23      continued. We see the impacts of this  
24      divestment play out in the workforce, in

1 contracts, and in programs.

2 As a first step to shore up the  
3 workforce, we ask that the state provide  
4 funding in both direct contracts and Medicaid  
5 reimbursements to cover the minimum wage  
6 increase. This unfunded mandate is a major  
7 burden to organizations already stretched  
8 thin. One member of our coalition stated  
9 that even if they got rid of their entire  
10 executive team, it would only cover a quarter  
11 of the cost of the minimum wage to their  
12 organization.

13 We estimate that for direct contracts,  
14 the cost for this fiscal year would be  
15 approximately \$12 million. This does not  
16 include Medicaid reimbursements, which we do  
17 recommend be covered, and some of that  
18 funding has already been allocated. But  
19 there has been no funding allocated for  
20 direct contracts. Ah, my sidekick is joining  
21 me.

22 In terms of workforce, we see chronic  
23 underpayment beyond the minimum wage,  
24 compounded by a steady decrease in quality

1           and affordability of benefits. Many of these  
2           positions should not be minimum wage work.  
3           Approximately two-thirds of this workforce  
4           has some level of college education. This  
5           has led to a crisis in recruitment and  
6           retention. Experienced staff leave to  
7           increase their earning potential to  
8           industries like government, hospitals, and  
9           universities, and vacancies go unfilled.

10                 Turnover is particularly problematic  
11           for populations served by these  
12           organizations, who often experience trauma or  
13           have specific needs.

14                 The Executive Budget does little to  
15           alleviate the workforce struggles facing  
16           nonprofits. In addition to absence of  
17           funding for the minimum wage, the  
18           Executive Budget eliminates the planned  
19           0.8 percent COLA, the human services  
20           cost-of-living adjustment, and discontinues  
21           the COLA enacted in 2015 for certain direct  
22           care workers. Changes to the DOL overtime  
23           exemptions are also unanswered in terms of  
24           funding.

1                   And I'll turn it over to Michelle to  
2                   talk about how this plays out in contracts.

3                   MS. JACKSON: Great.

4                   And thank you so much. Thank you  
5                   especially for making the long haul, for  
6                   staying this late, and for letting me scoot  
7                   in back at the last second.

8                   I'm Michelle Jackson. I'm the  
9                   associate director of the Human Services  
10                  Council. We're a human services organization  
11                  of about 170 New York City-based human  
12                  service providers, and we're also part of the  
13                  Restore Opportunity Now coalition.

14                  I'm going to talk about really the  
15                  nuts and bolts of the contracts that  
16                  nonprofits have with the state, and some of  
17                  the underfunding. So the workforce tends to  
18                  be the sexier issue. When we talk about  
19                  infrastructure and indirect rates, it gets a  
20                  little bit more dry. But I will be brief and  
21                  make sure that I keep your attention.

22                  As other agencies -- and you've seen  
23                  the state agencies when they testified today.  
24                  The state relies heavily on nonprofits to

1        carry out vital services, and yet drastically  
2        underfunds these contracts, so that  
3        nonprofits are left to fill the gaps with  
4        private dollars. And what we've found is  
5        that the gaps have become too great.

6                Eighteen percent of New York  
7        City-based human service providers are  
8        insolvent, based on their 990 data. Which  
9        means that their deficits outsize their  
10       revenues, meaning that they're not making  
11       ends meet. And one of the reasons that  
12       that's happening is because these contracts  
13       are underfunded -- not just for the program,  
14       but they don't provide an appropriate  
15       overhead rate and they don't allow for  
16       funding like necessary repairs.

17                So one of the things that we're really  
18        asking for is for the state to really come  
19        together with nonprofits and start funding  
20        the indirect rate at an appropriate level.

21                There's federal OMB guidance -- I will  
22        not bore you with the 300-page details of  
23        that -- but I will just say that there's a  
24        federal directive that all contracts that

1        have federal dollars in them are supposed to  
2        pay 10 percent indirect rate. The State of  
3        New York, along with all other 49 states, are  
4        all out of compliance with this as of a year  
5        ago. If nonprofits were paid at least a  
6        10 percent rate, they'd be able to make some  
7        of the necessary repairs and also make  
8        investments. There's more and more evidence  
9        that nonprofits who have appropriate overhead  
10       rates are actually better organizations.  
11       They are able to invest in security and  
12       metrics and CFOs and accountants who can  
13       catch fraud and make things more safe and  
14       make sure their programs are working.

15                So we're asking for the state to  
16       adopt, similar to Governor Cuomo's Executive  
17       Order 38, a 15 percent indirect rate so that  
18       our providers can kind of get back where they  
19       need to go and start funding these contracts  
20       at an appropriate level and funding the real  
21       organizations that are making a difference in  
22       communities.

23                The other thing that we're asking  
24       for -- and if these contracts were fully



1       funded in the first place, we wouldn't need  
2       it -- is a nonprofit infrastructure fund. It  
3       was funded two years at \$50 million, again  
4       last year at another \$50 million, and the  
5       awards were bundled into one set of  
6       \$100 million awards.

7               This is a really great capital  
8       investment program for nonprofits. A lot of  
9       them have leaky roofs, they need  
10      generators -- especially in New York City,  
11      after Sandy, a lot of groups realized they  
12      either needed generators or had to replace  
13      them. We're talking about senior centers  
14      that are heating and cooling centers, that  
15      they don't -- they need to upgrade their  
16      HVAC. We have a homeless service provider  
17      who provides services to people with  
18      disabilities; it only has one of their two  
19      elevators that work.

20             These are really important  
21      investments. And this investment of  
22      \$100 million -- over 600 organizations put in  
23      applications for over \$300 million worth of  
24      projects, and there was only \$100 million to

1 go around. So obviously there's a greater  
2 need out there, so we'd like to see that  
3 capital infrastructure fund put back at  
4 \$100 million.

5 In closing, especially in the current  
6 federal environment, there's been a lot of  
7 talk about New York as a sanctuary. There's  
8 been a lot of talk about social justice and  
9 our need to help different communities.  
10 Nonprofits are in the front lines of doing  
11 that work. When you talk about helping  
12 immigrants, when you talk about helping  
13 low-income communities, when we want to stand  
14 together and we have a social justice agenda,  
15 it's nonprofits who are on the front lines.  
16 And we need to take care of them.

17 And by funding our workforce so that  
18 we can do the work that we need to do and pay  
19 it at an appropriate level. And when we fund  
20 these contracts fully, we're able to do our  
21 work and we're able to step up and meet the  
22 agenda that we need to.

23 Thank you.

24 CHAIRWOMAN YOUNG: Thank you.

1                   CHAIRMAN FARRELL: Thank you.

2                   Questions, comments?

3                   SENATOR KRUEGER: Thank you for  
4 staying so long.

5                   CHAIRMAN FARRELL: Thank you.

6                   MS. NUGENT: Thank you.

7                   CHAIRMAN FARRELL: Thank you. And we  
8 are finished. And we will be back here  
9 Monday, not tomorrow. Tomorrow is canceled.

10                  (Whereupon, at 5:57 p.m., the Senate  
11 adjourned.)

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