

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

2 -----

3 JOINT LEGISLATIVE HEARING

4 In the Matter of the  
2016-2017 EXECUTIVE BUDGET ON  
5 HUMAN SERVICES

6 -----

7 Hearing Room B  
Legislative Office Building  
8 Albany, New York

9 February 9, 2016  
10 9:43 a.m.

11 PRESIDING:

12 Senator Catharine M. Young  
Chair, Senate Finance Committee

13 Assemblyman Herman D. Farrell, Jr.  
14 Chair, Assembly Ways & Means Committee

15 PRESENT:

16 Senator Liz Krueger  
Senate Finance Committee (RM)

17 Assemblyman Robert Oaks  
18 Assembly Ways & Means Committee (RM)

19 Senator Tony Avella  
Chair, Senate Committee on Children  
20 and Families

21 Assemblywoman Donna A. Lupardo  
Chair, Assembly Children and Families  
22 Committee

23 Senator David Carlucci  
Chair, Senate Committee on Social Services

24

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4 Assemblyman Andrew Hevesi  
Chair, Assembly Social Services Committee

5  
6 Senator Susan Serino  
Chair, Senate Committee on Aging

7 Assemblyman Steven Cymbrowitz  
Chair, Assembly Committee on Aging

8  
9 Assemblywoman Ellen Jaffee  
Chair, Assembly Committee on Oversight,  
Analysis and Investigation

10  
11 Senator Diane J. Savino

12 Assemblyman Andy Goodell

13 Senator Velmanette Montgomery

14 Assemblywoman Shelley Mayer

15 Assemblyman Keith L.T. Wright

16 Senator Phil M. Boyle

17 Assemblywoman Patricia Fahy

18 Senator Timothy Kennedy

19 Senator Daniel Squadron

20 Assemblyman Crystal D. Peoples-Stokes

21 Senator Roxanne J. Persaud

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1                   CHAIRWOMAN YOUNG: Good morning.

2                   I'm Senator Catharine Young, chair of  
3 the Senate Finance Committee.

4                   Pursuant to the State Constitution and  
5 Legislative Law, the fiscal committees of the  
6 State Legislature are authorized to hold  
7 hearings on the Executive Budget proposal.  
8 Today's hearing will be limited to a  
9 discussion of the Governor's proposed budget  
10 for Human Services.

11                  Following each presentation, there  
12 will be some time allowed for questions for  
13 the chairs of the fiscal committees and other  
14 legislators.

15                  I would like to welcome Sheila Poole,  
16 acting commissioner of the New York State  
17 Office of Children and Family Services.  
18 Testifying on behalf of New York State Office  
19 of Temporary and Disability Assistance  
20 Commissioner Samuel D. Roberts, we will have  
21 James S. Rubin, commissioner of the New York  
22 State Division of Housing and Community  
23 Renewal; Sharon Devine, executive deputy  
24 commissioner of the New York State Office of

1 Temporary and Disability Assistance, OTDA;  
2 Linda Glassman, OTDA deputy commissioner; and  
3 Kristin Rock, OTDA general counsel. And  
4 Corinda Crossdale, director, for the New York  
5 State Office for the Aging.

6 We are joined today by my colleagues  
7 from the Senate. We have Senator Liz  
8 Krueger, who is ranking member on the Senate  
9 Finance Committee. We have Senator David  
10 Carlucci, who is chair of the Social Services  
11 Committee. We've been joined by Senator  
12 Diane Savino and Senator Phil Boyle.

13 And at this point I'd like to turn  
14 things over to my colleague Chairman Denny  
15 Farrell, from the Assembly.

16 CHAIRMAN FARRELL: Thank you, Senator.

17 We've been joined by Assemblywoman  
18 Jaffee, Assemblyman Cymbrowitz, Assemblywoman  
19 Lupardo, and Assemblyman Hevesi. They are  
20 each chairpeople of Social Services, of C&F,  
21 of Veterans Affairs and the Aging Committee.

22 And Mr. Oaks will give you his  
23 members.

24 ASSEMBLYMAN OAKS: Yes, and we've also



1           been joined by Assemblyman Goodell.

2                   CHAIRWOMAN YOUNG: Thank you.

3                   At this time I'd like to begin with  
4           the testimony of Sheila Poole, who is acting  
5           commissioner of the Office of Children and  
6           Family Services.

7                   Welcome and good morning.

8                   ACTING COMMISSIONER POOLE: Thank you.  
9           Good morning.

10                   CHAIRWOMAN YOUNG: We look forward to  
11           your testimony today.

12                   ACTING COMMISSIONER POOLE: Thank you,  
13           Senator. And it's good to be here with all  
14           of you today.

15                   Chairwoman Young, Chairman Farrell,  
16           Senate Children and Families Committee Chair  
17           Avella, Assembly Children and Families Chair  
18           Lupardo, and distinguished members of the  
19           Senate and Assembly, my name is Sheila Poole  
20           and I'm the acting commissioner of the Office  
21           of Children and Family Services.

22                   This year's Executive Budget reaffirms  
23           the Governor's commitment to a balanced and  
24           fiscally responsible budget that strongly

1 supports OCFS' core mission. As an agency  
2 dedicated to serving the children, youth and  
3 families of New York State, OCFS oversees a  
4 wide range of programs and services in the  
5 critically important areas of child welfare  
6 and community services, childcare and  
7 juvenile justice.

8 The proposed Executive Budget  
9 maintains vital agency funding at last year's  
10 level while making investments in key  
11 initiatives that will benefit all of the  
12 populations that OCFS serves. One example of  
13 that funding is for Child Welfare Services.  
14 The Executive Budget recommends \$635 million  
15 to continue supporting Child Welfare  
16 Services, renewing New York's commitment of  
17 62 percent state reimbursement.  
18 Supplementing other available federal funds,  
19 these dollars support a host of child  
20 protective, child preventive, aftercare,  
21 independent living, and adoption services.

22 New York is a national leader in  
23 providing robust funding for these efforts,  
24 which make a difference in the lives of

1 thousands of New York State's children and  
2 families. This investment supports the  
3 critical work of our local social services  
4 districts. It also funds the essential  
5 programs and services provided by our child  
6 welfare partners in community-based agencies  
7 throughout the state.

8           The Executive Budget proposal includes  
9 \$445.5 million in Foster Care Block Grant  
10 funding, which supports foster care services,  
11 including kinship programs. Local districts  
12 continue to have the ability to reinvest any  
13 unused portions in the next fiscal year,  
14 which can be used to support locally designed  
15 child welfare initiatives that strengthen  
16 preventive services and better serve  
17 high-needs children who can benefit from  
18 independent living or aftercare services.

19           The proposed budget also includes an  
20 additional \$4.5 million in funding to support  
21 programs that serve this population under the  
22 Runaway and Homeless Youth Act.

23           The Governor's budget proposal  
24 includes authority to invest adoption

1 assistance savings of \$5 million into  
2 preventive services and other post-adoption  
3 services as required by federal law for  
4 children at risk of entering foster care.  
5 OCFS plans to use these funds to support  
6 Permanency Resource Centers to provide  
7 post-adoptive and kinship support to  
8 families.

9 The Executive Budget continues the  
10 critical investment in the Child Care Subsidy  
11 Program for 2016-2017 at \$799 million. These  
12 funds enable low-income working families to  
13 access affordable childcare and support  
14 New York State's childcare providers.

15 A \$5 million investment in the  
16 QUALITYstarsNY program would support the  
17 implementation of a quality rating and  
18 improvement system to provide high-quality  
19 early learning programs and enable the state  
20 to mandate participation for low-quality  
21 programs as a condition of receiving state  
22 funding.

23 This year's budget proposal also  
24 reflects the Governor's continuing commitment

1 to raising the age of criminal responsibility  
2 in New York State from the age of 16 to 18.  
3 New York State took a bold step forward in  
4 December with the executive order that will  
5 remove most minors from adult prisons and  
6 house them in age-appropriate correctional  
7 facilities with specialized programs offering  
8 them a better chance to turn their lives  
9 around and find a brighter future. While the  
10 executive order is an important step, and  
11 OCFS strongly supports this action, it does  
12 not, however, raise the age.

13 The reasons to raise the age are many.  
14 We know that when troubled youth are sent to  
15 adult prison, it sets the stage for a life of  
16 violence, recidivism, and little prospect for  
17 the rehabilitation that would prepare them to  
18 return to their communities as productive and  
19 responsible adults. Removing young people  
20 from the adult criminal system will improve  
21 outcomes and make a vast difference in the  
22 lives of these 16- and 17-year-olds.

23 Additionally, the Executive Budget  
24 proposal increases funding for the Human

1 Services Call Center by \$600,000, for a total  
2 of \$14.1 million. The call center was  
3 established upon recommendation of the SAGE  
4 Commission, and now answers more than 30  
5 telephone lines for 10 state agencies. And  
6 we anticipate a call volume of 1.2 million  
7 calls in the coming year.

8 I thank you for the opportunity to  
9 address you today, and I welcome your  
10 questions and comments. Thank you.

11 CHAIRWOMAN YOUNG: Thank you very  
12 much.

13 Our first Senator up will be Senator  
14 David Carlucci.

15 And before he begins, I do want to  
16 mention that we've been joined by Senator  
17 Squadron and Senator Roxanne Persaud.

18 Senator?

19 SENATOR CARLUCCI: Thank you,  
20 Chairwoman Young.

21 And thank you, Acting Commissioner  
22 Poole, for your testimony and particularly  
23 for addressing Raise the Age.

24 And I just had a further question

1           about the executive order that was done in  
2           December. And if you could talk a little bit  
3           about how that has evolved in terms of  
4           placing our 16-to-18-year-olds in  
5           age-appropriate settings. Are there places  
6           for them? Have we started to move them? How  
7           far do we have to go? If you could address  
8           that.

9                     ACTING COMMISSIONER POOLE: Certainly.

10                    I would just clarify that that  
11           executive order really directed the  
12           Department of Correctional Services to  
13           undertake those activities. But because we  
14           are working in partnership with DOCCS, I feel  
15           like I can provide a good answer for you.

16                    So DOCCS is currently working to  
17           renovate an existing DOCCS facility to serve  
18           as the place where the 16- and 17-year-olds  
19           are to be moved out. I believe the plan is  
20           for that to be accomplished by September of  
21           2016.

22                    I can also report, Senator, that as  
23           part of the executive order the Governor  
24           asked OCFS to work closely with DOCCS to

1 provide assistance in mental health  
2 consultation, any curriculum retraining that  
3 we have at OCFS, given our work with  
4 juveniles. And so we're providing support  
5 and consultation to DOCCS as they create the  
6 new model for these youth in that facility.

7 SENATOR CARLUCCI: So just to clarify,  
8 until we have a legislative change, the  
9 custody of these children will be under DOCCS  
10 and not OCFS?

11 ACTING COMMISSIONER POOLE: That's  
12 correct, for those currently incarcerated 16-  
13 and 17-year-olds who are in DOCCS, they  
14 remain in DOCCS' custody.

15 SENATOR CARLUCCI: Okay. And if we  
16 were to change the law, are there adequate  
17 places for these children in New York State  
18 right now? Do we have a lot of work to do to  
19 get up and ready and build these facilities?  
20 Is there room?

21 ACTING COMMISSIONER POOLE: Yes. The  
22 answer to that, Senator, is yes. Certainly  
23 within the OCFS footprint of juvenile justice  
24 facilities we do have capacity in a number of



1           our facilities to accept youth. Under the  
2           current Raise the Age proposal, the majority  
3           of newly sentenced 16- and 17-year-olds would  
4           come to OCFS's secure levels of service. And  
5           so I think we can work to create that  
6           capacity in relatively short order. As I  
7           said, given our existing footprint, I think  
8           we can make that possible.

9                    SENATOR CARLUCCI: So right now, 16-  
10           and 17-year-olds that are under the custody  
11           of DOCCS are in our correctional facilities.  
12           They are being isolated from the general  
13           population. And have you worked with DOCCS  
14           to know a number of -- are there still these  
15           children in the general population?

16                   ACTING COMMISSIONER POOLE: I couldn't  
17           answer that question, Senator.

18                   SENATOR CARLUCCI: And then just to  
19           talk about childcare, you know, one of the  
20           things that is so important is accessible,  
21           affordable, quality childcare here in  
22           New York State. And we hear story after  
23           story about how it's out of reach for most  
24           families in New York State, just the

1           affordability option. And they're left with  
2           subpar options.

3                       What is your agency doing to make sure  
4           that there is affordable childcare, that  
5           there's safe childcare, and, to another  
6           level, that there's transparency, that we  
7           know, as a parent, when I drop my child off  
8           at daycare, that I know if there's a  
9           violation, that I know what's going on and  
10          how my daycare ranks as opposed to other  
11          daycares and what would be a model daycare?  
12          You know, how does a parent know that, how  
13          can we work towards that end?

14                      ACTING COMMISSIONER POOLE: Sure. So  
15          to answer the first part of your question,  
16          the Executive Budget provides almost  
17          \$800 million to provide subsidy support for  
18          those families, as you said, who need  
19          assistance in accessing safe and quality  
20          care. That's a commitment that this  
21          administration has sustained for a number of  
22          years despite, in fact, a diminishing  
23          investment on the part of the federal  
24          government. There's always need for more,

1           you know, without question.

2                     At OCFS we also do a lot, and have  
3           done, in partnership with our unions -- UFT,  
4           CSEA -- our childcare resource and referral  
5           agencies that we also fund, to really be in  
6           the communities, supporting providers,  
7           providing training to further professionalize  
8           the childcare workforce, so that not only are  
9           we creating access, but that we're building  
10          quality. You know, improving child  
11          development, understanding of development,  
12          well-being, safety for children, safe  
13          sleeping -- all those kinds of things that  
14          can help create a safer childcare  
15          environment.

16                    So I think we've made some good  
17          progress, some good investments. And  
18          certainly the federal Child Care and  
19          Development Act -- that I'm sure we'll talk  
20          about soon -- calls for even additional kinds  
21          of training qualifications.

22                    As to your last question, Senator,  
23          OCFS's website -- I don't know if you've ever  
24          had the opportunity to go, but you are a

1 parent, it's really aimed for parents seeking  
2 childcare so that they can do just what you  
3 described: How do I know if a childcare that  
4 I'm considering, first of all, is licensed or  
5 registered with the state? So you can go and  
6 plug in Sheila Poole's childcare center, and  
7 if it's registered or licensed by the state,  
8 that will pop up, and you will be able to  
9 search the enforcement history along with any  
10 violations or enforcement actions that we  
11 have taken.

12 We also strongly encourage you to  
13 contact one of our childcare resource and  
14 referral agencies, again, as a navigator to  
15 help families. And we also field a lot of  
16 calls at our OCFS regional offices. Those  
17 are our licensers, our front-line staff who  
18 are licensing, who know these providers the  
19 best out in the community. So I think we try  
20 and do that.

21 You know, as you are probably aware,  
22 childcare centers in New York City are  
23 currently under the purview of New York City  
24 only. And so we also want to make sure that

1 if families happen to come to the OCFS  
2 website seeking care, that there is, you  
3 know, a large prominent note making sure that  
4 folks understand that some of that care is  
5 also in New York City. And they click on a  
6 link, and it can take them to New York City's  
7 website, which also is very transparent in  
8 terms of a provider's enforcement history.

9 SENATOR CARLUCCI: My colleagues and I  
10 in the Independent Democratic Conference have  
11 been working towards legislation to have a  
12 letter-grade system for daycare, similar to  
13 the restaurants. Is that something that OCFS  
14 would be in favor of, support?

15 ACTING COMMISSIONER POOLE: You know,  
16 I think we're always interested in any  
17 conversations to be had about collectively  
18 trying to raise the quality of care, and  
19 certainly making sure that any parent who's  
20 seeking care -- I mean, that's one of the  
21 most important decisions you ever make as a  
22 parent, right -- is a fully informed one. So  
23 we'd be happy to engage in any conversations.

24 SENATOR CARLUCCI: And just one last

1 point. We talked about the childcare  
2 subsidies, extremely important. And we've  
3 got to make sure that parents can put their  
4 children in the appropriate places.

5 What are we doing to address the issue  
6 of middle-class families that are not  
7 qualifying for the subsidies and are just out  
8 of reach of that and are paying the full  
9 price? In many cases -- I know in Rockland  
10 and Westchester, on average, it's \$1500 a  
11 month per child. For middle-class families  
12 that are out of reach for the subsidy, that's  
13 a big bill to pay. You know, you can take  
14 out a loan for college; you can't take out a  
15 loan for daycare.

16 What do we do to address that issue  
17 for middle-class families?

18 ACTING COMMISSIONER POOLE: You know,  
19 I think the best answer to that is that local  
20 departments of social services who administer  
21 the childcare allocations, including the  
22 subsidies that the state sends down to them,  
23 I think do their very best, Senator, within  
24 their means to try and balance, you know,

1           creating access for new families seeking  
2           care, the working poor, folks looking to  
3           return to work, with also maintaining  
4           caseloads and continuing subsidy or other,  
5           you know, parts of support for the working  
6           families.

7                         But again, it's really a function of  
8           the available funds to local districts and  
9           the fluidity of their childcare caseload.

10                        SENATOR CARLUCCI: Well, even so, I  
11           mean, that money wouldn't flow over to these  
12           middle-class families. They would not be  
13           eligible for it.

14                        So this is an issue where we have  
15           these silos, right? We've got Office of  
16           Children and Families over here, we've got  
17           Taxation and Finance over here. Maybe that's  
18           something where we could use your experience,  
19           your expertise to really lobby other agencies  
20           to say, hey, maybe we should increase the  
21           dependent care tax credit, and strategies  
22           like that. That would be very helpful, to  
23           say, hey, you know, we know we have our  
24           function and role, but there are other things

1           that relate to the Office of Children and  
2           Family Services.

3                         And that's something I'd really  
4           implore you to do, to use your expertise to  
5           try to help, say, Hey, what can we do to use  
6           the synergy of our enormous government to  
7           work together towards addressing these issues  
8           so important as childcare.

9                         So thank you so much for answering my  
10          questions. I really appreciate it.

11                        ACTING COMMISSIONER POOLE: You're  
12          welcome, Senator. Thank you.

13                        CHAIRWOMAN YOUNG: Thank you.  
14          Assemblyman?

15                        CHAIRMAN FARRELL: The next person to  
16          question will be Assemblywoman Lupardo, who  
17          is the chair of the Children and Families  
18          Committee.

19                        ASSEMBLYWOMAN LUPARDO: Thank you.

20                        Good morning, Commissioner. It's nice  
21          to have you here.

22                        I'm going to spend the bulk of my time  
23          talking about the implementation of the  
24          Childcare and Development Block Grant, which



1 from our point of view looks like a very  
2 large unfunded federal mandate.

3 And, you know, while additional site  
4 inspections, background checks, new  
5 background checks on some 220,000 providers,  
6 new training and professional development  
7 requirements, and a whole new approach to  
8 parental eligibility is welcome, and I think  
9 many of the advocates welcome that  
10 improvement in the system, estimates are very  
11 troubling as to what that would cost --  
12 upwards of \$90 million just for the first  
13 three items that I mentioned, and an unknown  
14 amount for the parent eligibility.

15 So if you wouldn't mind, maybe if  
16 you'd go through step-by-step some of those  
17 areas and we can sort of compare notes and  
18 see what you have in mind.

19 The first one has to do with training  
20 and development. That needs to be completed,  
21 our understanding is, by September 2016, and  
22 budget estimates are about \$20 million. Do  
23 you have any additional information on  
24 that -- whether or not we already have

1 something in place that would be eligible for  
2 that, or whether we're doing something?

3 ACTING COMMISSIONER POOLE: Thank you,  
4 Assemblywoman. Great questions.

5 So if I could, just for a minute,  
6 because I think there's a lot of questions  
7 about the implementation of this act. I  
8 think just to kind of set a contextual stage  
9 a bit, so the act was passed and signed by  
10 President Obama in November of '14, and of  
11 course at that time we saw the implications,  
12 as has every other state, in terms of the  
13 magnitude, Assemblywoman, that you just  
14 pointed out, without any federal money coming  
15 to help states try to address the  
16 implementation of this.

17 We've been advocating really since the  
18 passage of the bill, through our Governor's  
19 D.C. office, through all the advocacy groups  
20 that we belong to at OCFS, really expressing  
21 to the federal government just what you said,  
22 Assemblywoman, that on its face, who can  
23 argue, right, with increasing quality, who  
24 can argue with enhanced training, all those

1 kinds of things -- but for the federal  
2 government to expect states like New York,  
3 who already make such a deep investment in  
4 subsidy, to really find a way to fund all of  
5 these new requirements is really -- it's  
6 really, really problematic.

7 On top of that, the federal government  
8 waited until December of 2015 to issue their  
9 draft regulations. And all of us who are now  
10 looking at those draft regulations across the  
11 country are further alarmed that those  
12 regulations actually seem to go far beyond  
13 what the initial statute said. So that  
14 public comment period is open right now; it  
15 will close on February 22nd. And we are  
16 putting together our comments, we're  
17 imploring all of our partners, including all  
18 of you, to be a strong and loud voice on  
19 behalf of our families in New York State  
20 that, without additional federal funding,  
21 states are really left with either requesting  
22 extensions for some of the provisions until  
23 we really understand what the final federal  
24 regulations will come out and look like, or

1           that we continue to advocate for more money.

2           You know, the worst possible scenario,  
3           which is one that many states are facing, to  
4           comply with the federal requirements absent  
5           any additional federal funding, you're  
6           looking at decreasing your subsidies. Right?  
7           Moving your state's investment in subsidies,  
8           which we all know is key for our families,  
9           and using it to try and support some of the  
10          unfunded mandates of this act.

11          So the final part of your question,  
12          though, Assemblywoman, is as we're looking at  
13          the proposed act as well as the regulations,  
14          we're also making a careful list of the  
15          things we currently do in New York State.  
16          And so you all know we're one of the most  
17          regulated states in childcare in the country  
18          as it is now, and so we do a lot of  
19          prequalification, we do a lot of clearances  
20          for interested providers, in-state  
21          clearances, SCR clearances. We check  
22          providers against the Justice Center staff  
23          inclusion list. We don't do the national  
24          checks that are called for in the act, but in

1 fact we do a lot in our state. And so we're  
2 trying to make that case where we can, to  
3 prove that we do have that capacity.

4 Again, you know, Assemblywoman, we  
5 don't have a sense whether or not the federal  
6 government is going to recognize, you know,  
7 those efforts.

8 ASSEMBLYWOMAN LUPARDO: So we seem to  
9 be in a little bit of a time frame collision.  
10 And our concern is that if we don't get this  
11 right or understand the implications, we're  
12 going to drive providers underground, risk  
13 losing subsidies, as you mentioned, we're  
14 going to lower quality. And, I mean, we  
15 already have a fragile system. And this is  
16 going to threaten and risk it even further.

17 So can you walk us through that one  
18 more time? We're hoping the federal  
19 government will come to the rescue, but in  
20 the meantime are we at least planning to be,  
21 you know, out in front of this to avoid  
22 calamity in the long run?

23 ACTING COMMISSIONER POOLE: Yes,  
24 Assemblywoman, we have been out in front of

1           it. I mean, we continue to -- and especially  
2           now that the draft regulations are out there,  
3           I think states have been put in a really  
4           untenable position trying to implement an act  
5           with so many moving parts, all of which cost  
6           so much money. Not many of them are one-time  
7           expenses or non-reoccurring. You know, when  
8           you're into this, you're in for the long  
9           haul.

10                        So I want to assure you and all the  
11           members here that we are advocating very  
12           strongly. I think, frankly, it's going to  
13           take a broader voice, including our  
14           Legislature, to really help say we cannot  
15           afford to do this.

16                        You know, and the other fact of the  
17           matter is that our administration, with the  
18           support of all of you, has invested a lot of  
19           money in daycare. You know, we have almost  
20           \$800 million in the budget, we have other  
21           quality initiatives. And so it's a real  
22           challenge for us, Assemblywoman.

23                        ASSEMBLYWOMAN LUPARDO: So you did put  
24           \$10 million -- or, I'm sorry, the Governor

1 put \$10 million in the budget toward one of  
2 the components of this.

3 So again, just so I understand we're  
4 all on the same track, our hope is to either  
5 get an extension, to appeal to the federal  
6 government to help pay for this. But by  
7 April 1st, we have to have a budget that at  
8 least has some additional resources put  
9 toward this if need be.

10 I can't imagine we're going to be able  
11 to pull this off with just \$10 million.  
12 Would you agree with that?

13 ACTING COMMISSIONER POOLE: I think  
14 it's going to be very challenging, absent  
15 additional federal money, for us to pull off  
16 the requirements within the time frames that  
17 the act calls for.

18 ASSEMBLYWOMAN LUPARDO: I see.

19 We also noticed that there's nothing  
20 in the budget to address the market rate  
21 change. Regrettably, certainly in my area  
22 and many parts of the state, when you went  
23 down to the 69th percentile, it really hurt.  
24 And it doesn't reflect the cost of delivery

1 of service.

2 But there's no recognition of the  
3 market rate in the budget, and we'd like to  
4 see it get back up to the 75th percentile.  
5 What's the overall game plan on market rate?

6 ACTING COMMISSIONER POOLE: Yes. So  
7 the overall game plan on the market rate,  
8 Assemblywoman, is that we do plan and it will  
9 be part of the federal plan that we have to  
10 submit on March 1st or 31st to the federal  
11 government. We do plan on supporting the new  
12 market rate effective June 1st. Again,  
13 that's 69 percent. So unfortunately, I think  
14 for many of the reasons we just discussed,  
15 you know, we're not able to go to 75 percent  
16 as we enjoyed for a number of years. But  
17 again, at the 69th percentile, which I would  
18 just add is -- we're probably one of only  
19 three states left in the country who are able  
20 to maintain that level of support for the  
21 market rate.

22 ASSEMBLYWOMAN LUPARDO: So how can we  
23 help you on this federal advocacy  
24 specifically?



1                   ACTING COMMISSIONER POOLE: You know,  
2                   I think certainly joining with us to have a  
3                   conversation with the feds, to have a  
4                   conversation with our congressional  
5                   delegation. I think your voices are really  
6                   important in this conversation. You know,  
7                   we've done our best to date; we need local  
8                   departments of social services, we need the  
9                   advocates. But in your positions as elected  
10                  officials representing thousands of  
11                  constituents, families, providers I think you  
12                  have an incredibly powerful voice that we'd  
13                  like to tap into very soon to really let  
14                  folks know that without additional support  
15                  we're really in a very tough spot.

16                  ASSEMBLYWOMAN LUPARDO: I'd just like  
17                  to get your opinion about one other item  
18                  having to do with the background checks.  
19                  What's your opinion about requiring that that  
20                  be portable? So when someone has that  
21                  background check and works for a provider for  
22                  two months and then moves along, that we  
23                  don't have to keep reinventing the wheel,  
24                  that it could perhaps stay with them for a

1 period of time. It would, in light of this  
2 implementation, probably drive down the cost  
3 in the long run.

4 ACTING COMMISSIONER POOLE: Yes, I  
5 think -- you know, I think on principle that  
6 makes sense, for all the reasons, you know,  
7 that you just articulated.

8 Again, the up-front costs of making  
9 that happen, particularly having to navigate  
10 through the requirement that you have to go  
11 across the nation and check anyplace that the  
12 potential provider has lived in in the last  
13 five years, and there's no foundational work  
14 that's been done to date by the federal  
15 government in creating, you know, those  
16 pathways of communication so that we could  
17 create, you know, the portability of those  
18 clearances. Because you're right, having to  
19 re-clear people time and time again is really  
20 not the most efficient way.

21 ASSEMBLYWOMAN LUPARDO: Thank you.

22 ACTING COMMISSIONER POOLE: You're  
23 welcome.

24 CHAIRWOMAN YOUNG: Thank you.

1                   CHAIRMAN FARRELL: Thank you.

2                   We've been joined by Assemblywoman  
3 Fahy, Assemblyman Keith Wright, Assemblywoman  
4 Mayer.

5                   CHAIRWOMAN YOUNG: Thank you. And  
6 we've been joined by Senator Tim Kennedy.

7                   Again, Acting Commissioner, thank you  
8 for being here today. I'd like to piggyback  
9 on what the Assemblywoman was saying, because  
10 we are very concerned about this \$90 million  
11 unfunded mandate that's come from the federal  
12 government. And as has been pointed out,  
13 there's a \$10 million allocation put forward  
14 by the Governor in his Executive proposal  
15 that covers health and safety inspections.  
16 But what's not covered, for example, is the  
17 first aid and CPR training, which  
18 approximately would cost around \$28 million;  
19 federal criminal background checks costing  
20 \$24 million.

21                   And so I guess the question is you've  
22 talked about the fact that this is  
23 extraordinarily difficult to pull off in the  
24 time frame. And if that doesn't happen, do

1           you anticipate that some of those costs or  
2           all of those costs would be passed on to the  
3           providers?

4                     And I have to tell you, I have deep  
5           concerns about that.  Studies show  
6           consistently that in New York State we have  
7           the highest childcare costs in the country.  
8           We're among the top.  And it's already very  
9           difficult for families.  And we have  
10          subsidies, as you pointed out.  But it's so  
11          difficult for families, and oftentimes they  
12          can't afford the childcare so that they can  
13          go out and work and support themselves.

14                    So if there's advocacy and it doesn't  
15          work, the question is what does the state do  
16          next.  Because I don't see any further  
17          allocations that put forward right now to  
18          cover these costs.  Would these be passed  
19          along to providers?

20                    ACTING COMMISSIONER POOLE:  So, you  
21          know, I think the first strategy, you know,  
22          that we would take is to request in the plan  
23          that's due in March to request extensions  
24          within the plan that would allow us more time

1 to really, again, when the federal  
2 regulations -- which have not yet been  
3 promulgated. We don't -- you know, they're  
4 asking us to plan and to fund something that  
5 is really not fully understood or known  
6 because the regulations aren't there.

7 You know, absent that, Senator, our  
8 plan is to request for an extension.

9 As to your question about, you know,  
10 passing along fees to providers, we know that  
11 is of concern. It's not something we have  
12 historically done as a state. But this is a  
13 historic piece of federal legislation that  
14 may take us to conversations and places that  
15 we haven't had to go before.

16 But again, I think those all open  
17 difficult questions that we're going to have  
18 to struggle with in the months ahead.

19 CHAIRWOMAN YOUNG: How much does a  
20 background check cost?

21 ACTING COMMISSIONER POOLE: Well, the  
22 SCR clearance check for us is \$25. I'm not  
23 sure exactly what the -- you know, the full  
24 totality. But I believe it would probably be

1           around a hundred dollars or a little bit more  
2           for providers.

3                   CHAIRWOMAN YOUNG: Right. That's what  
4           my understanding is. Again, a difficult cost  
5           to pass along to providers.

6                   Have you examined ways that New York  
7           State's statutory and regulatory structure  
8           could be amended somehow to give relief to  
9           providers?

10                   ACTING COMMISSIONER POOLE: I'm sorry,  
11           Senator, I didn't --

12                   CHAIRWOMAN YOUNG: So because of this  
13           mandate that's on the state, has the  
14           department looked at possible statutory or  
15           regulatory changes that could be made in  
16           order to give -- you know, in light -- in the  
17           context of the federal requirements, to  
18           provide relief to the providers in New York  
19           State of childcare?

20                   ACTING COMMISSIONER POOLE: I don't  
21           believe we have, Senator.

22                   CHAIRWOMAN YOUNG: Do you think that's  
23           possibly something that you should be taking  
24           a look at?

1           ACTING COMMISSIONER POOLE: Yes, I  
2           think we can certainly take a look at that.  
3           I'm not sure where it would take us, but  
4           we're happy to explore.

5           CHAIRWOMAN YOUNG: Okay, thank you.

6           In addition, the federal changes to  
7           eligibility rules require a 12-month  
8           eligibility -- not enough coffee yet this  
9           morning -- redetermination period and the  
10          gradual phaseout of the subsidy if a family  
11          is longer eligible. And that's likely to  
12          have an impact on the overall number of  
13          childcare subsidy slots in the state. And  
14          you address that a little bit, but how many  
15          children currently receive childcare  
16          subsidies in New York?

17          ACTING COMMISSIONER POOLE: So in 2015  
18          there were 207,000 children who received a  
19          subsidy at some point throughout the year in  
20          New York State.

21          CHAIRWOMAN YOUNG: And have you done  
22          an analysis -- you know, you just asked about  
23          the statutory and regulatory structure that  
24          we have. But have you done an analysis

1 through OCFS on the available number of slots  
2 in the state and what this federal mandate  
3 would mean? Have you quantified that at all?

4 ACTING COMMISSIONER POOLE: No. I  
5 mean, I think we have, you know, a general  
6 sense, Senator, that what you articulated in  
7 terms of the new federal requirement, the  
8 12-month guaranteed eligibility -- and then  
9 now what we found out in reviewing the  
10 regulations is that a phaseout that we  
11 thought states would have some flexibility in  
12 determining is really now meant by the feds  
13 to mean another year of phaseout.

14 So for a newly eligible family, that  
15 will mean that from the point of eligibility  
16 until the end, you're looking at a guaranteed  
17 almost two years of childcare subsidy. And  
18 that, you know -- that's great. We've talked  
19 about, you know, right, the cliff and  
20 avoiding the cliff. The challenge for us is  
21 that in eliminating the cliff for families  
22 exiting subsidized care, the act has created  
23 a mountain of a lack of access, potentially,  
24 to new families needing access to subsidy.



1 And, you know, therein lies the challenge.

2 CHAIRWOMAN YOUNG: What would the  
3 additional resources be that would be  
4 necessary for us to actually maintain the  
5 current subsidy slots? Have you done any  
6 kind of analysis on that as far as what the  
7 costs would be? What would the state have to  
8 invest?

9 ACTING COMMISSIONER POOLE: I don't --  
10 you know, until we know what the federal  
11 regulations really say, once the final  
12 comment period -- I think it's difficult to  
13 estimate that fully, Senator.

14 CHAIRWOMAN YOUNG: And when does that  
15 end?

16 ACTING COMMISSIONER POOLE: The public  
17 comment period ends February 22nd. But we  
18 don't have a date yet when the final regs  
19 will come out, despite the fact that our  
20 state plan is due to them in March.

21 CHAIRWOMAN YOUNG: How many counties  
22 in New York currently redetermine eligibility  
23 on a 12-month basis?

24 ACTING COMMISSIONER POOLE: I believe

1           there are around 18 local departments of  
2           social services who do.

3                   CHAIRWOMAN YOUNG: Okay. So for those  
4           counties who don't currently redetermine  
5           eligibility on a 12-month basis, is there any  
6           estimate of what it will cost them to go into  
7           compliance, the ones that don't right now?

8                   ACTING COMMISSIONER POOLE: I don't  
9           have that figure, Senator.

10                   CHAIRWOMAN YOUNG: Okay, thank you.

11                   I have several follow-up questions,  
12           but I'll defer to my colleagues and come  
13           back.

14                   So Assemblyman?

15                   CHAIRMAN FARRELL: Thank you.

16                   Assemblyman Hevesi.

17                   ASSEMBLYMAN HEVESI: Good morning,  
18           Commissioner.

19                   ACTING COMMISSIONER POOLE: Good  
20           morning.

21                   ASSEMBLYMAN HEVESI: Good morning. So  
22           I'm sorry I have to start with you, because  
23           to be honest with you in the Governor's  
24           budget he's done some really good things, but

1 not on childcare. So let me ask you a  
2 question about the federal reauthorization.  
3 Why don't you just fund it?

4 ACTING COMMISSIONER POOLE: Because I  
5 think it's an incredible amount of expense  
6 where the administration has chosen the need  
7 to prioritize expenses in other important  
8 areas -- anti-poverty initiatives, other  
9 things to also help working poor families in  
10 the state.

11 ASSEMBLYMAN HEVESI: So the Governor's  
12 not making this a priority.

13 ACTING COMMISSIONER POOLE: I don't  
14 think that's fair, Assemblyman. As I said,  
15 the Governor has sustained, you know, an  
16 \$800 million subsidy allocation --

17 ASSEMBLYMAN HEVESI: Which is flat  
18 from last year, so you haven't increased it.  
19 Right?

20 ACTING COMMISSIONER POOLE: That's  
21 true.

22 ASSEMBLYMAN HEVESI: And the poverty  
23 reduction initiative that you mentioned is a  
24 \$25 million -- we'll get to that later.

1                   But you're saying because of all of  
2                   the other things that the Governor is dealing  
3                   with, he can't come up with the \$90 million  
4                   to protect the kids who currently have  
5                   subsidies?

6                   ACTING COMMISSIONER POOLE: I think  
7                   the Executive Budget articulates what the  
8                   administration's best guess at their  
9                   investment is in the next upcoming fiscal  
10                  year, Assemblyman.

11                  ASSEMBLYMAN HEVESI: Right. So you're  
12                  telling us -- so let me phrase it this way.  
13                  The federal government comes down with new  
14                  regulations, we all think they're really good  
15                  ideas -- background checks, inspections, all  
16                  kinds of good stuff. We should be saying  
17                  this is fantastic. But if it's not funded,  
18                  it's the equivalent of the federal government  
19                  coming with a big punch about to hit the kids  
20                  and families in New York State.

21                  Now, the state is in a position to  
22                  step up and take that punch, but the Governor  
23                  is moving out of the way so he can let the  
24                  children and families -- and the providers --

1 in this state take the hit. Why is that?

2 ACTING COMMISSIONER POOLE: You know,  
3 the best answer --

4 ASSEMBLYMAN HEVESI: You knew -- sorry  
5 to cut you off, but you knew this was coming  
6 since November 2014.

7 ACTING COMMISSIONER POOLE: So again,  
8 you know, I think part of what's a strength  
9 for us in New York is the fact that we  
10 already have to do a lot of training, we do  
11 background checks, we provide a lot of  
12 subsidy to families.

13 And so unlike other states, we're  
14 starting --

15 ASSEMBLYMAN HEVESI: I'm sorry to cut  
16 you off. A lot of subsidies to families  
17 of -- the 207,000 kids in New York State who  
18 are eligible for subsidies, what percentage  
19 of those kids do we currently cover that you  
20 say we do a lot of subsidies? Have we  
21 reached --

22 ACTING COMMISSIONER POOLE: That's the  
23 number of children who at some point  
24 were receiving a subsidy --

1           ASSEMBLYMAN HEVESI: No, that's the  
2           number of children who are eligible. What's  
3           the number of kids who are actually being --  
4           what percentage of that 207 are actually  
5           receiving services? Our estimation, it's  
6           under 20 percent. So I --

7           ACTING COMMISSIONER POOLE: No, the  
8           figures I have, Assemblyman, is that in 2015  
9           there were 207,000 children who at some point  
10          were the recipients of a subsidy.

11          ASSEMBLYMAN HEVESI: Okay. Okay. We  
12          now know that with the federal government  
13          coming down with this new \$90 million  
14          request, okay -- and that's DOB coming up  
15          with the number -- why did you guys come up  
16          with \$10 million? Can you explain that to  
17          me?

18          ACTING COMMISSIONER POOLE: I think  
19          the \$10 million is an attempt to begin to  
20          implement the increased inspection  
21          requirement of the act with the resources  
22          that the administration has.

23          ASSEMBLYMAN HEVESI: Okay, let me go  
24          back. And I apologize, the 207, you are

1 absolutely right. But that's 20 percent of  
2 the eligible population. That's why I bring  
3 it up. That's my mistake.

4 So let me go back to the \$10 million.  
5 That's only for inspections, which is only  
6 one of the four pieces that the feds are  
7 coming down with. How did you get to 10 when  
8 DOB asked for, what was it, 34 for that? Why  
9 is the Governor coming up with only 10?  
10 Yeah, 34.5. Why do you guys come up with 10?

11 ACTING COMMISSIONER POOLE: I'd have  
12 to go back to the work we did with DOB in  
13 creating the --

14 ASSEMBLYMAN HEVESI: Could it be that  
15 you're assuming that if you don't do these  
16 inspections, a lot of the families who are in  
17 legally-exempt childcare are just going to go  
18 under and stop receiving subsidies? Is that  
19 possible?

20 Because if that's the case, that's an  
21 outrage. Because what you're doing is  
22 pushing these children and families -- not  
23 only are they not going to get their  
24 subsidies, but they're going to go

1 underground, which is exactly what we don't  
2 want them to do.

3 So again, let me come back to my first  
4 question. Why aren't we funding this?

5 ACTING COMMISSIONER POOLE: Well,  
6 Assemblyman, the budget session isn't over  
7 yet, so --

8 ASSEMBLYMAN HEVESI: Yeah, but your  
9 position is. Unless you're telling me by  
10 Friday, which is when you get your 30-day  
11 amendments, you're going to come out with the  
12 extra \$80 million. Is that what you're  
13 telling us?

14 ACTING COMMISSIONER POOLE: No, that's  
15 not what I'm telling you, Assemblyman.

16 ASSEMBLYMAN HEVESI: So your position  
17 is \$10 million when we know the need to be  
18 90, and now the Governor is just walking  
19 away; is that correct?

20 ACTING COMMISSIONER POOLE: What's in  
21 the Executive Budget right now is what's in  
22 the budget from the administration.

23 ASSEMBLYMAN HEVESI: Okay. So we will  
24 do our best to pick up the slack, but I've



1 got to tell you, what has happened here on  
2 childcare is nothing short of an outrage.

3 Thank you, Commissioner.

4 ACTING COMMISSIONER POOLE: You're  
5 welcome, Assemblyman.

6 CHAIRMAN FARRELL: Senator?

7 SENATOR KRUEGER: Thank you.

8 Senator Diane Savino.

9 And we've been joined by Senator Tony  
10 Avella.

11 SENATOR SAVINO: Thank you, Senator  
12 Krueger.

13 Good morning, Acting Commissioner  
14 Poole. I want to follow up on what  
15 Assemblyman Hevesi said, because I've often  
16 asked this question: Why don't we look at  
17 childcare as an economic development tool as  
18 opposed to social services? And I think it's  
19 part and parcel of keeping women in the  
20 workforce. Because we know interruptions in  
21 childcare or the inability to obtain safe,  
22 quality affordable childcare, or subsidized  
23 childcare, leads to disruptions in a woman's  
24 career, and it affects her not just in her

1 present life, but in her retirement.

2 So I do think that if we're going to  
3 put money into anti-poverty initiatives, that  
4 maybe the suggestion is move that money to  
5 this initiative so that we can maintain  
6 quality, affordable, subsidized childcare for  
7 as many children as we can.

8 On the 207,000 children, does that  
9 include the largest social service district  
10 in the state, New York City?

11 ACTING COMMISSIONER POOLE: Yes, I  
12 believe it does.

13 SENATOR SAVINO: Okay. So I find it  
14 amazing that in a state of 19.5 million  
15 people, only 207,000 children are eligible  
16 for subsidized childcare. And that begs a  
17 bigger question of what outreach we're doing  
18 to families that could potentially be  
19 eligible for it.

20 But Senator Carlucci talked a bit  
21 about the level of safety that parents can  
22 feel with respect to the places that they  
23 send their children. And you talked about  
24 the state's website. It's true, though, that

1 a few years ago, as a result of legislation  
2 that was introduced by Senator Klein and then  
3 adopted by the Senate and passed by the  
4 Assembly and signed by the Governor,  
5 facilities that are licensed by the State of  
6 New York are required to post their latest  
7 inspection.

8 The City of New York insisted on being  
9 carved out of that mandate because they  
10 feel -- they felt at the time that they would  
11 be able to handle it on their own. And as  
12 you know, daycare centers in New York City  
13 are licensed by the Department of Health, not  
14 by ACS. And not by your agency.

15 What we have seen in reports and  
16 research is there are thousands of daycare  
17 centers in New York City that are unlicensed,  
18 many of them operating for years. There was  
19 that horrible case of a small baby who, on  
20 his first day in a daycare center, died  
21 because they did not know how to provide CPR.  
22 And this daycare center had been operating  
23 for 14 years without a license.

24 So we're suggesting potentially a

1 letter-grade system. But more importantly,  
2 we believe that the state needs to play a  
3 bigger role in licensing and certifying the  
4 daycare centers operating in the City of  
5 New York are safe, that the staff is  
6 adequately trained, that they are cleared  
7 through these background checks. That's not  
8 happening right now.

9 What role do you think the state can  
10 play in forcing the City of New York to do  
11 these things?

12 ACTING COMMISSIONER POOLE: Well,  
13 Senator, I think, you know, we have a shared  
14 goal of trying to improve safety. And, you  
15 know, those tragedies that you just mentioned  
16 I think are evidence that we should explore  
17 how we can strengthen our oversight, so ...

18 SENATOR SAVINO: Good. I want to  
19 shift to the Raise the Age issue, because I  
20 understand the Governor's executive order was  
21 really about complying with the federal  
22 directive that you can no longer house 16-  
23 and 17-year-olds in adult prison. So it's  
24 really not the implementation of Raise the

1           Age, it's complying with that directive. The  
2           money that's being allocated for the  
3           retrofitting of Hudson Correctional facility  
4           is for that purpose.

5                    ACTING COMMISSIONER POOLE: Correct.

6                    SENATOR SAVINO: But assuming we do  
7           raise the age, there's a question as to what  
8           role OCFS is going to play with some of the  
9           children who aren't -- they're not sentenced  
10          to a DOCCS facility.

11                   So are we talking about pooling these  
12          children with the Close to Home facilities,  
13          or is it going to be a separate system?

14                   ACTING COMMISSIONER POOLE: It would  
15          be a separate system. So if we raise the age  
16          according to the Governor's executive  
17          proposal, you know, newly sentenced 16- and  
18          17-year-olds would continue to start in  
19          criminal court. It calls for the creation of  
20          a new youth part, so that there's specially  
21          trained judges through Supreme Court.

22                   But they'll start in criminal court.  
23          There's no longer the transfer of presumption  
24          down, you know, to Family Court, as was in

1 last year's proposal.

2 So the majority of those 16- and  
3 17-year-olds would be processed. The  
4 difference is once they are sentenced, they  
5 wouldn't go to DOCCS or to a local jail for  
6 those youth who have very short sentences,  
7 but they would come to OCFS. Okay? And we,  
8 as part of the Governor's executive proposal,  
9 would develop a classification tool, in  
10 partnership with DOCCS, with the State  
11 Commission on Corrections, and with DCJS, and  
12 apply that rule based upon the youth's  
13 history, their service needs, to determine  
14 what's the right level of placement.

15 And one of the additions in the  
16 Governor's Executive proposal is the creation  
17 of a separate hybrid enhanced secure facility  
18 that could potentially be there for youth  
19 with enriched service needs.

20 The vast majority of the other youth,  
21 Senator, the projection is that over time,  
22 once we're fully implementing, over, again --  
23 you know, the 16-year-olds would start in  
24 '18, the 17-year-olds in '19 -- we would

1           probably be looking at creating additional  
2           capacity of about 700 beds, thereabouts,  
3           within OCFS's mostly secure system.

4                        SENATOR SAVINO: Thank you. My time  
5           is up, but I would like a second round  
6           because I'd like to talk to you about Close  
7           to Home, where we are on the implementation,  
8           and also on child protective services and the  
9           effect of the opioid abuse crisis on it. So  
10          I'll wait for my second round.

11                       Thank you.

12                       SENATOR KRUEGER: Assembly.

13                       CHAIRMAN FARRELL: Assemblywoman  
14          Jaffee.

15                       ASSEMBLYWOMAN JAFFEE: Thank you.

16                       Good morning, Commissioner. I know  
17          that you would agree that providing access to  
18          childcare significantly contributes to a  
19          child's well-being, preparing that child for  
20          the future socially, academically, in many  
21          ways, as well as providing important and  
22          successful outcomes for the working parents.

23                       This should be a priority in New York  
24          State. Unfortunately, we're seeing much too

1 much disparities that exist to access,  
2 regarding access to childcare. And there are  
3 a number of issues that I feel are essential  
4 to be addressed. I mean, just in terms of  
5 funding, we need to significantly increase  
6 funding. And some of the issues in terms of  
7 the 69 percent should -- we should bring it  
8 back to 75 percent. I think that is  
9 absolutely essential.

10 And in terms of the subsidies, too  
11 many of our providers are closing down.  
12 They're also cutting back on the childcare  
13 services. I have programs that have very  
14 long waiting lists, children and families who  
15 are struggling because they are not provided  
16 access to childcare. It is becoming a very  
17 serious situation. I mean they're lowering  
18 the eligibility below 200 percent of the  
19 federal poverty levels in many, many cases.  
20 Many have actually closed the application  
21 process because they do not have the finances  
22 to be able to offer the services.

23 And I could go on. There are so many  
24 issues that are involved. So are you hearing



1           this from the local districts regarding the  
2           administration of the childcare subsidies and  
3           the finances, the issues that they face?

4                    ACTING COMMISSIONER POOLE: Thank you  
5           for your comments, Assemblywoman. Some  
6           districts, yes, you know, we do hear concerns  
7           about not having sufficient subsidy dollars,  
8           you know, to meet the needs. So yes, we do  
9           hear that on occasion.

10                   ASSEMBLYWOMAN JAFFEE: Because we've  
11           been hearing that over and over from the  
12           providers as well as the organizations in  
13           support of the providers, that it's just  
14           becoming a very serious situation in terms of  
15           providing access appropriately to children  
16           and families throughout the state.

17                    Another issue, in terms of the  
18           homeless -- which is also another major issue  
19           in terms of assuring that the families -- are  
20           we meeting the needs, the childcare needs of  
21           the homeless? Is that something on the  
22           agenda in terms of ensuring that there are  
23           programs for the homeless in our communities?

24                    ACTING COMMISSIONER POOLE: That's an

1           excellent point. In fact, that is one of the  
2           elements of the federal Child Care Act, is  
3           making sure that states take appropriate  
4           steps to make sure that families experiencing  
5           homelessness do have immediate access to  
6           childcare services.

7                        So our staff are working closely with  
8           the Office of Temporary and Disability  
9           Assistance to assess how we can strengthen  
10          our partnership in that area now, regardless  
11          of the provisions of the act. But yes, it's  
12          on a issue with our homeless families as  
13          well.

14                       ASSEMBLYWOMAN JAFFEE: And with the  
15          federal mandate, with all the requirements  
16          that the federal mandate has put in place and  
17          the lack of funding that is being allocated,  
18          clearly the federal government provided  
19          nothing. But I really believe that we as a  
20          state should at least put forward, you know,  
21          significant funds to be able to respond to  
22          what the providers will be providing, the  
23          services.

24                       They are going to be -- they're

1           already struggling with the subsidies and the  
2           level of the subsidies, and on top of that  
3           comes this mandate. We are going to lose  
4           many providers throughout the state. Our  
5           families are going to lose the opportunity  
6           for childcare; they will not be able to work.

7                         And this is a serious issue. I  
8           consider this an economic development issue.  
9           This is about providing families the  
10          opportunity to have affordable childcare as  
11          well as giving families access to childcare  
12          so that they can work. It's also about jobs,  
13          jobs that are involved with childcare. We  
14          need to focus on this as an absolute priority  
15          in New York State as we move forward. And I  
16          hope that is something that you will focus  
17          on.

18                         (Applause from audience.)

19                         ASSEMBLYWOMAN JAFFEE: Thank you.

20                         CHAIRMAN FARRELL: Thank you.

21                         Senator.

22                         SENATOR KRUEGER: Senator Daniel  
23          Squadron.

24                         SENATOR SQUADRON: Thank you very

1 much. Nice to see you.

2 So I'm a little confused. Is it the  
3 state's position or the Executive's position  
4 that we're in favor of the new federal  
5 guidelines or we're opposed to them and want  
6 them not to go into effect?

7 ACTING COMMISSIONER POOLE: You know,  
8 as I said earlier, I think on principle,  
9 Senator, the concepts are very good. They  
10 move away from, you know, the federal dollars  
11 really being primarily a work support to the  
12 federal dollars really being more child  
13 development. And it's very hard to argue  
14 with those principles.

15 SENATOR SQUADRON: So that's good for  
16 kids.

17 ACTING COMMISSIONER POOLE: Yes.

18 SENATOR SQUADRON: And if we delay, it  
19 means that kids won't see the benefit of that  
20 until later. Some kids, because they age out  
21 of childcare and go to school, will miss the  
22 benefit of that entirely.

23 So, you know, I understand that it's  
24 expensive and that certainly federal aid to

1 help with it would be wonderful. But it  
2 sounds like we're talking about asking for a  
3 delay.

4 Let me ask another question. Two  
5 hundred seven thousand beneficiaries,  
6 currently, of the subsidy. What percentage  
7 of eligible is that again? Of those who  
8 would be eligible for it.

9 ACTING COMMISSIONER POOLE: I don't  
10 know that off the top of my head, Senator.

11 SENATOR SQUADRON: I read it's about  
12 22 percent. Does that sound --

13 ACTING COMMISSIONER POOLE: It might  
14 be, I just -- I don't know, Senator.

15 SENATOR SQUADRON: Can we have a  
16 commitment here that the funding will be  
17 there to ensure that there are no cuts in the  
18 number of folks who are able to receive  
19 subsidies, whatever happens with the federal  
20 requirements?

21 (Applause from audience.)

22 SENATOR SQUADRON: Unfortunately,  
23 those are not the people testifying.

24 (Laughter.)

1                   ACTING COMMISSIONER POOLE: I can't  
2                   make that commitment here today, Senator.

3                   SENATOR SQUADRON: So that may well  
4                   happen, then.

5                   ACTING COMMISSIONER POOLE: I'm sorry?

6                   SENATOR SQUADRON: That may well  
7                   happen.

8                   ACTING COMMISSIONER POOLE: I don't  
9                   know. I don't know yet.

10                  SENATOR SQUADRON: Is it fair to say  
11                  that the choice before us is either to delay  
12                  improvements in quality or cut subsidies?

13                  ACTING COMMISSIONER POOLE: I think  
14                  that's -- I think that's the dilemma that  
15                  states are finding themselves in, as I said  
16                  earlier, in trying to implement this act. So  
17                  yes.

18                  SENATOR SQUADRON: I mean, that's not  
19                  an acceptable choice. It does sound like the  
20                  choice the Legislature is being given right  
21                  now with this budget proposal. That's an  
22                  enormous problem.

23                  Just finally, just so I understand,  
24                  because this is the other confusing thing, is

1           the contention that \$10 million is sufficient  
2           for the new regulations, or is the contention  
3           that it will be delayed and therefore we only  
4           need 10 million, but 90 million is the  
5           correct number?

6                     ACTING COMMISSIONER POOLE: I think  
7           it's an initial investment to try and  
8           initially comply with that element of the  
9           increased inspections required by the act.

10                    SENATOR SQUADRON: So we agree,  
11           90 million is about the right number.  
12           Because if there's debate on that 90 million  
13           number, I'd be happy to know that. Is there?

14                    ACTING COMMISSIONER POOLE: I think  
15           it's fair to say, Senator, that it's possible  
16           once the new federal regulations are  
17           promulgated, it may in fact turn out to mean  
18           more than \$10 million.

19                    SENATOR SQUADRON: Like 90 million?

20                    (Laughter.)

21                    SENATOR SQUADRON: I mean, is there a  
22           reason to doubt that number? Yes, no, maybe?

23                    ACTING COMMISSIONER POOLE: No,  
24           there's no reason to doubt it.

1                   SENATOR SQUADRON: Okay, so we'll go  
2                   with 90 million. So we have an \$80 million  
3                   gap; there's going to be \$80 million in cuts  
4                   to existing subsidies.

5                   Let's talk about evidence-based home  
6                   visiting. I notice that Healthy Families is  
7                   proposed at last year's level, and  
8                   Nurse-Family Partnership is proposed at a cut  
9                   from last year. Are all of the eligible  
10                  families for evidence-based maternal home  
11                  visiting, which has an enormous return on  
12                  investment to the state, has tripartisan  
13                  support in the Senate, bipartisan support in  
14                  the Assembly -- is there any reason to be  
15                  reluctant to have the funding to offer that  
16                  to every eligible family?

17                  ACTING COMMISSIONER POOLE: So the  
18                  Nurse-Family Partnership is in the Department  
19                  of Health's budget, Senator.

20                  SENATOR SQUADRON: And Healthy  
21                  Families. I'm talking about evidence-based  
22                  maternal home visiting, which is very, very  
23                  much an Office of Children and Family  
24                  Services issue.



1                   ACTING COMMISSIONER POOLE: Yeah.

2                   Yeah. I think we're pleased to see that in  
3                   our current budget we're maintaining our  
4                   \$23.3 million to support Healthy Families.

5                   SENATOR SQUADRON: Great. Do you know  
6                   how many families that serves?

7                   ACTING COMMISSIONER POOLE:  
8                   Approximately 6,000 a year.

9                   SENATOR SQUADRON: Do you know how  
10                  many are eligible every year?

11                  ACTING COMMISSIONER POOLE: I don't.

12                  SENATOR SQUADRON: About 120,000.

13                  It's just confusing that we have  
14                  programs that are working, that (A) we silo  
15                  them and (B) we maintain a funding stream  
16                  that excludes 95 percent of eligible  
17                  families. I'm just confused about what the  
18                  policy decision is there. Would you mind  
19                  explaining?

20                  ACTING COMMISSIONER POOLE: You know,  
21                  Senator, the best answer I can give you is  
22                  that, you know, we have to make a lot of  
23                  decisions about which program to fund.  
24                  You're absolutely right, the Nurse-Family

1 Partnership and, you know, Healthy Families  
2 have proven, you know, outcomes. But the  
3 truth is there's a lot of other priority  
4 needs as well. So, you know, again, it comes  
5 back to if we had more money to invest, those  
6 are the kinds of programs with proven track  
7 records and good returns on investment.

8 SENATOR SQUADRON: I mean, I would  
9 just urge, both when it comes to childcare,  
10 where we have a lack of available subsidies  
11 for those who are income eligible, a lack of  
12 support for middle-class families, and  
13 evidence-based maternal home visiting, that  
14 we should really put money where we know  
15 we're going to need to spend it --  
16 \$90 million is the new federal regulations, a  
17 gap of those who are getting subsidies, and  
18 programs for new families that save money and  
19 save lives over time.

20 It's just strange that we just do what  
21 we've always done instead of trying to  
22 improve things. So I would really urge and  
23 hope that in the 30-day amendments we see a  
24 goal of improvement, not sort of treading

1 water or drowning. Thank you.

2 (Applause from audience.)

3 CHAIRWOMAN YOUNG: Assembly.

4 And also could we maintain order in  
5 the house, please.

6 CHAIRMAN FARRELL: Assemblywoman  
7 Jaffee -- Assemblywoman Fahy, I'm sorry.

8 ASSEMBLYWOMAN FAHY: Thank you,  
9 Mr. Chairman.

10 Good morning, and thank you,  
11 Commissioner, for being here.

12 Just a couple of questions, but I just  
13 want to start by reiterating that I do share  
14 the concern about the -- no question, I think  
15 there have been a number of questions  
16 already -- but I do want to share the concern  
17 about what I also think is a lack of funding  
18 in terms of implementing the new childcare  
19 regs, given the extraordinary demand out  
20 there.

21 One related question to that, however.  
22 What would the -- or do you know what the  
23 number would be if we brought the childcare  
24 market rates up to 75 percent? Do you know

1           what that might cost? I know you did say  
2           we're at about 69 or so right now. If we  
3           brought it up to the 75th percentile, is  
4           there an estimate as to what that might be in  
5           funds?

6                         ACTING COMMISSIONER POOLE:  
7           Assemblywoman, I don't have that figure with  
8           me here. I can certainly follow up.

9                         ASSEMBLYWOMAN FAHY: Okay. I mean,  
10          given the expense and given the needs,  
11          obviously it would be another great goal in  
12          addition to the needs of the impending  
13          regulations.

14                        Switching gears, after-school funds.  
15          I know there was limited additional funds put  
16          in last year. Certainly there was another  
17          op-ed this morning from the After-School  
18          Network, and the number that we keep hearing  
19          is that there's an unmet need of about a  
20          million students across the state who are  
21          estimated to be not served.

22                        Do you have a sense of what the  
23          department might be doing now to try to  
24          expand within the dollars they have, and if

1           that number is a number you would concur with  
2           in terms of the need out there for  
3           after-school?

4                    ACTING COMMISSIONER POOLE: I have not  
5           read the report that, you know, you  
6           referenced, Assemblywoman. So, you know, we  
7           have the Advantage After-School, it's 17  
8           something in our budget. And I believe  
9           there's 15,000 youth across the state who are  
10          able to benefit from after-school, you know,  
11          programs, which is terrific. I think we have  
12          117 contracts across the state.

13                   So I think that's in recognition that  
14          they're great programs to support, you know,  
15          youth in communities. And, you know, we are  
16          maintaining that in the proposed exhibit.

17                   ASSEMBLYWOMAN FAHY: Okay. Thank you,  
18          Commissioner. Thank you, Mr. Chairman.

19                   CHAIRMAN FARRELL: Thank you.

20                   CHAIRWOMAN YOUNG: Thank you.

21                   Our next speaker is Senator Kennedy.

22                   SENATOR KENNEDY: Thank you,  
23          Commissioner. I want to touch base a little  
24          bit about the resources for caseworkers,

1           childcare workers, throughout the state as it  
2           pertains to investigating reports of abuse.

3                       As you know, we've had some horrific  
4           incidents out in Western New York. They seem  
5           to have been cyclical in nature. A lot of  
6           the problems and abuses that we're seeing,  
7           you know, are oftentimes due to generational  
8           poverty and substance abuse, mental health  
9           issues that are happening. And I believe  
10          it's very, very important that our state  
11          provide the proper amount of resources for  
12          our caseworkers on the front lines. I know  
13          you share the same sentiment.

14                      I'd like to hear a little bit about  
15          what your office has done due to this  
16          scourge, in many ways, across our community  
17          in Western New York, as well as the state, in  
18          providing those resources for our  
19          caseworkers.

20                      ACTING COMMISSIONER POOLE: So I would  
21          just also make a comment, Senator, that we've  
22          seen good progress in Western New York since  
23          those tragedies several years ago. And, you  
24          know, to the credit of the Erie County

1 Department of Social Services and new  
2 leadership there, they've really made a lot  
3 of progress in turning things around.

4 We've provided, of course, a lot of  
5 support to them, a lot of training,  
6 assistance, to support the caseworkers that  
7 they were bringing on board.

8 But I think as a general response, you  
9 know, to your question -- and thank you for  
10 recognizing, you know, we too at the Office  
11 of Children and Family Services take very  
12 seriously the responsibilities that  
13 front-line child protective service workers  
14 have across the state. In many ways, they  
15 are our first responders to the most  
16 horrific, difficult situations that anyone  
17 could be expected to walk into.

18 We're doing work with counties now  
19 in -- we have a workgroup that we launched at  
20 the end of last year bringing together some  
21 of the commissioners and caseworkers to look  
22 at our current model of training and coaching  
23 and supporting caseworkers. Again, given  
24 the, as the Senator mentioned, the trends in

1 heroin and opiate abuse, caseworkers are  
2 always walking in, you know, to new  
3 situations.

4 So I think we do our best to try and  
5 enhance our training so that they're armed  
6 with the best tools and skills. And we've  
7 also invested a lot of money in recent years  
8 in child protective service supervisors.  
9 Right? Because you can have a great  
10 front-line worker, but if there's not good  
11 supervision, then unfortunately that's not  
12 the kind of support that they need.

13 So we've had, with support from the  
14 feds and Casey Family Programs, an enhanced  
15 supervision model that a number of our  
16 districts have been taking advantage of to  
17 strengthen CPS practice and supervision.

18 So I think those are a couple of  
19 examples, hopefully, that will address your  
20 question, Senator.

21 SENATOR KENNEDY: Thank you. I want  
22 to switch gears to the Workforce Development  
23 Initiative Facilitated Enrollment Program.  
24 There's a gap between job training that we're





1 of making this happen?

2 ACTING COMMISSIONER POOLE: You know,  
3 Senator, I don't know. But I'm writing down  
4 notes; I'll be happy to look into that for  
5 you.

6 SENATOR KENNEDY: Again, the number  
7 we're looking at is \$2.5 million. That's  
8 just for Erie County. That would bring in  
9 300 families and allow these families to go  
10 to work and give them the ability to afford  
11 childcare. It's a major priority for our  
12 community. I think it's important.

13 Thank you.

14 CHAIRWOMAN YOUNG: Thank you.

15 CHAIRMAN FARRELL: Assemblywoman  
16 Mayer.

17 ASSEMBLYWOMAN MAYER: Good morning.  
18 Thank you for being here.

19 Two questions. One is on the issue of  
20 making after-school availability clearer to  
21 parents. The department was directed by the  
22 Governor's office, it's my understanding, to  
23 enhance the ability of parents to actually  
24 find funded after-school programs online.

1                   And I wonder if you know the status of  
2                   the department's efforts to make it easier  
3                   for parents to simply find funded quality  
4                   after-school programs like they have in  
5                   New York City but we don't have in the rest  
6                   of the state. I wonder if you know the  
7                   status of the department's efforts on that.

8                   ACTING COMMISSIONER POOLE:  
9                   Assemblywoman, I don't. I'll be happy to get  
10                  back to you on that.

11                  ASSEMBLYWOMAN MAYER: Okay. I'd  
12                  appreciate that.

13                  ACTING COMMISSIONER POOLE: Of course.

14                  ASSEMBLYWOMAN MAYER: And the second  
15                  thing is, to the issue of the low percentage  
16                  of children who are in subsidized care  
17                  compared to the families that are eligible,  
18                  one of the challenges is that counties have  
19                  their own policies, as you know, and then  
20                  there's no uniform policy across the state.

21                  What is the department doing to --  
22                  from a policy point of view to ensure that  
23                  children are more widely -- that families  
24                  know about subsidized care and that you push

1 counties to make every effort to ensure that  
2 more children are enrolled in subsidized  
3 care? I have the feeling the department has  
4 a somewhat passive relationship with the  
5 counties on this subject, and I wondered what  
6 is your approach to that?

7 ACTING COMMISSIONER POOLE: Sure. So  
8 in terms of, you know, education for  
9 families, as I said earlier, Assemblywoman,  
10 we do contract with 34 CCR&Rs across the  
11 state. So, you know, they are embedded in  
12 communities, they should be the first point  
13 of contact for families, you know, seeking  
14 care.

15 So I feel like we -- and again, you  
16 know, through a variety of modalities -- have  
17 really tried to make sure that any families  
18 seeking care, that it's not that difficult to  
19 find help in answering some of those  
20 questions.

21 With respect to the local departments  
22 of social services, you know, certainly one  
23 active step that OCFS has taken in the past  
24 several years is to make sure that local

1 departments of social services are, to the  
2 extent possible, spending all of their  
3 childcare allocations. And so 10 years ago  
4 we allowed for a lot of rollover, was the  
5 term that we used, but in the recent years we  
6 have set limits -- it's 15 percent of the  
7 district's local childcare allocation.  
8 Because there is fluidity, and it's okay to  
9 have a little bit of wiggle room.

10 But we do watch rollover. And if a  
11 district is rolling over more money than is  
12 permitted, we do reduce their allocation and  
13 redistribute it to other local departments of  
14 social services -- you know, making sure that  
15 there's not unspent childcare money on the  
16 table that could be used to provide subsidy  
17 to other families.

18 ASSEMBLYWOMAN MAYER: Okay. Have you  
19 ever challenged any county's determination of  
20 how much money they actually have to spend on  
21 subsidized care?

22 ACTING COMMISSIONER POOLE: No, I  
23 don't believe we have.

24 ASSEMBLYWOMAN MAYER: Okay, thank you.

1                   CHAIRWOMAN YOUNG: Thank you.

2                   Senator Krueger.

3                   SENATOR KRUEGER: Good morning.

4                   So following up on so many of my  
5                   colleagues' concerns about childcare and the  
6                   inadequacy of funding for subsidized  
7                   childcare -- Senator Kennedy just raised the  
8                   plea for the City of Buffalo, Erie County,  
9                   and I would suggest that there's probably not  
10                  one county who doesn't share the Senator's  
11                  views that there's a hue and cry for more  
12                  available, affordable childcare throughout  
13                  the State of New York.

14                  I'm a little confused when I try to  
15                  get my arms around it. And I think your  
16                  inability to perhaps estimate how many unmet  
17                  needs there are is we split it all up between  
18                  multiple agencies. So OCFS oversees OTDA --  
19                  right, you're still the ranking agency over  
20                  OTDA; is that correct?

21                  ACTING COMMISSIONER POOLE: I've never  
22                  actually heard it referred to that way.

23                  SENATOR KRUEGER: Okay. I think in  
24                  statute you are.

1                   So in OTDA, and they'll be up next, I  
2                   see actually a \$100 million increase in TANF  
3                   funding for subsidized childcare.

4                   So can you help me, and perhaps all of  
5                   us, understand how the state in totality  
6                   looks at unmet need and attempts to address  
7                   childcare support for families in New York  
8                   State who may or may not be on specific  
9                   public benefits but are all relatively  
10                  low-income, trying to get into or stay in the  
11                  workforce? How do you do that work, and how  
12                  does it come out that, you know, your  
13                  division doesn't see an increase but there's  
14                  TANF money moved to it? And does somebody  
15                  oversee the whole thing and go, Well, this  
16                  will help these folks over here, but we still  
17                  aren't addressing these folks over here?

18                  ACTING COMMISSIONER POOLE: Mm-hmm.  
19                  Right. So we do, with respect to the  
20                  childcare, we share the TANF fund. And, you  
21                  know, we work together to make sure that the  
22                  TANF fund is used as flexibly and as  
23                  appropriately as possible.

24                  And so you're correct that in this

1 year's budget there's an additional --  
2 there's an offset. There's an additional  
3 \$100 million of federal TANF money being used  
4 to support the childcare allocation.

5 SENATOR KRUEGER: And who decides  
6 where that goes versus, I think, the  
7 discussion so far this morning with any  
8 number of us discussing how desperately we  
9 need childcare funds probably not within the  
10 TANF eligibility?

11 ACTING COMMISSIONER POOLE: So we do  
12 that. I mean, we share the same DOB unit, so  
13 there's good consultation between our  
14 departments and our unit chiefs. And I think  
15 that's where the shared decision making comes  
16 in, Senator, about how the TANF and FFFS  
17 funds can be used to support the various  
18 programs within our two agencies.

19 As to more mechanical details, I don't  
20 have them right here today.

21 SENATOR KRUEGER: Okay. So can I ask  
22 you to do follow-up for us --

23 ACTING COMMISSIONER POOLE: Of course.

24 SENATOR KRUEGER: -- with some kind of



1 documentation of if one looks at the various  
2 funding streams that go through the state for  
3 subsidies to childcare, what are they all,  
4 regardless if whether they're in OTDA's  
5 budget or your budget, what are the different  
6 eligibility standards for those, and  
7 approximate number of children being served  
8 by -- (broadcast noise). Sorry. God was  
9 here for a minute.

10 And is there a breakdown of numbers of  
11 children being served and geographic  
12 distribution? I think that would actually  
13 help all of us.

14 ACTING COMMISSIONER POOLE: Okay.

15 SENATOR KRUEGER: Then following up on  
16 the issues of the only \$10 million for  
17 \$90 million worth of work and the concern  
18 that we are actually simply placing this on  
19 the providers for them to have to pick up the  
20 costs if the federal government doesn't  
21 either (A) allow us to delay -- which Senator  
22 Squadron points out puts our children at  
23 continuing risk for these things happening if  
24 we're delaying -- or places the cost on

1 providers.

2 Does your agency evaluate how much  
3 providers -- what kind of margin the  
4 providers are operating on now? I mean, when  
5 I hear that the state is asking them to pick  
6 up \$80 million of new costs, or potentially  
7 asking them to pick up, I'm curious -- how  
8 much of a bite is that into the actual  
9 ability of these providers to remain open?

10 Because I hear constantly the  
11 reimbursement for the kids is incredibly low,  
12 the cost for the parents continues to grow  
13 percentagewise, perhaps unrealistically for  
14 many people, and now we are basically placing  
15 I guess I would call it, in Albany lingo, a  
16 new unfunded mandate on -- even if it's the  
17 feds handing us the mandate, an unfunded  
18 mandate not on the localities in this  
19 situation, but on the actual providers.

20 So is there any mechanism for  
21 evaluating sort of what share of their total  
22 income we're asking them to have to turn over  
23 for these new costs? I'm wondering if you  
24 know that now.

1                   ACTING COMMISSIONER POOLE: I do not  
2 know that answer.

3                   SENATOR KRUEGER: So if you could also  
4 get back to us on that.

5                   ACTING COMMISSIONER POOLE: Yes --

6                   SENATOR KRUEGER: Because clearly  
7 you're seeing that we're all very disturbed  
8 about the concept that so, yes, the feds  
9 should have given us the money if they were  
10 making the mandate, but they don't seem to be  
11 cooperating -- and I think you're hearing  
12 here the concept that asking the childcare  
13 providers to pick up these costs themselves  
14 not only is unfair, but may actually be the  
15 straw that breaks the camel's back and  
16 results in our having fewer childcare  
17 providers who are following the laws in New  
18 York State.

19                   So I would love if you could get back  
20 to me with that also.

21                   ACTING COMMISSIONER POOLE: Yes,  
22 Senator.

23                   SENATOR KRUEGER: I'm out of time.  
24 Thank you.

1                   CHAIRWOMAN YOUNG: Thank you, Senator.  
2                   Assemblyman?

3                   CHAIRMAN FARRELL: Thank you.  
4                   Assemblyman Goodell.

5                   ASSEMBLYMAN GOODELL: Thank you very  
6 much, Commissioner, for being with us this  
7 morning.

8                   Of course we've talked a lot about the  
9 additional \$90 million cost coming down from  
10 the federal government and the lack of  
11 additional funding in your budget for that,  
12 but that's only part of the costs that the  
13 childcare providers are facing. The Governor  
14 has also proposed, as you know, nearly a  
15 70 percent increase in minimum wage.

16                   Are we anticipating a 70 percent  
17 increase in funding for childcare support or  
18 a reduction in our commitment to childcare  
19 support by 70 percent over the next several  
20 years? Do you have any visions or  
21 perspective on that?

22                   ACTING COMMISSIONER POOLE: Thank you.  
23 It's a very good question.

24                   So I do know that the administration,

1           you know, has the goal of raising the minimum  
2           wage. But I think there's also a  
3           recognition, Assemblyman, that there's got to  
4           be some deep analysis and the appropriate  
5           time taken to consider the impacts of that  
6           analysis.

7                     And so we are working with the  
8           Division of the Budget I think to address  
9           that very kind of analysis that you just  
10          asked. It's not yet complete. But I think  
11          taking all that information in will really  
12          help guide the administration and the  
13          Legislature about how we could raise the  
14          minimum wage.

15                    ASSEMBLYMAN GOODELL: I would  
16          certainly appreciate a copy of that analysis  
17          if you can provide it to me, because  
18          obviously I don't want to be in a situation  
19          where I'm voting for a cut in daycare  
20          subsidies -- an effective cut -- by imposing  
21          a substantial increase in the cost without  
22          providing an appropriate level of funding.

23                    So if you could provide that to us,  
24          that would be great.

1                   ACTING COMMISSIONER POOLE: Thank you,  
2                   Assemblyman.

3                   ASSEMBLYMAN GOODELL: I want to change  
4                   topics just a little bit and talk a little  
5                   bit about the Raise the Age.

6                   Am I correct that under this proposal  
7                   we create a special Youth Division in  
8                   superior court and we eliminate the role of  
9                   all the town courts or town justices, even on  
10                  misdemeanors?

11                  ACTING COMMISSIONER POOLE: You know,  
12                  I'm not the expert, I'm not an attorney, and  
13                  that was probably a great question for  
14                  Commissioner Green at DCJS.

15                  But what I do know is that there will  
16                  be the creation of the youth part in the  
17                  existing criminal court. Those judges will  
18                  be trained to handle those cases. But I also  
19                  believe, Assemblyman, that there is a  
20                  recognition, particularly in some of the  
21                  smaller rural counties, that some of those  
22                  new youth parts may need to create training  
23                  opportunities for the existing, you know,  
24                  judges who wear multiple hats.

1           ASSEMBLYMAN GOODELL: Well, I just  
2 would point out that a lot of times the 16-,  
3 17-year-olds get into minor scrapes, if you  
4 will, with the law, involving misdemeanors,  
5 you know, criminal mischief, petty larceny,  
6 trespass -- there's a number of minor crimes  
7 that are not felonies that might best be  
8 handled in the local court, justice court,  
9 with a town judge who knows the family, knows  
10 the situation, often knows the kids.

11           And I would really encourage the  
12 administration not to move those minor crimes  
13 into the criminal court system.

14           The other concern I have is that  
15 there's no secure detention at all operated  
16 by OCFs in my county. And I represent over a  
17 thousand square miles. So if we eliminate  
18 any incarceration even in the local jail,  
19 that means low-income families would have to  
20 drive hours round-trip to visit their son or  
21 daughter. And in the rural counties, we  
22 don't have subways that run from Jamestown to  
23 Buffalo. We don't even have aboveground  
24 trains. We don't have mass transit. It's a

1           huge imposition and a real disservice if we  
2           can't provide youth detention facilities that  
3           are relatively close to the families.

4                        So I would ask you -- I know you  
5           mentioned in response to Senator Carlucci  
6           that you thought there would be enough  
7           spaces. But it's not just enough spaces,  
8           it's the location of those spaces as well.

9                        Can you address that issue?

10                      ACTING COMMISSIONER POOLE: So one of  
11           the things, you know, that I think we are  
12           proud of in our own state-run juvenile  
13           justice system -- again, we also try,  
14           whenever possible, to find a placement within  
15           our system that is as close to home as  
16           possible for families for the very reasons,  
17           you know, that you articulate.

18                      And so, you know, when we would grow  
19           our system, right, to accommodate the need  
20           for more secure facilities in a Raise the Age  
21           scenario, one of the things, Assemblyman,  
22           that we would certainly look at is where are  
23           youth coming into the system. Right? So we  
24           try and have a strategy and build the new



1 capacity in those areas for proximity  
2 reasons. So that's the first thing I would  
3 say.

4 The second thing is that we have a big  
5 focus within our current New York model and  
6 our juvenile justice programs on supporting  
7 family visitation. And so we provide bus  
8 transportation, we pay for families and  
9 siblings. And in some instances where we  
10 have young people who are parents, to come up  
11 to our facilities, have protected family  
12 visiting time. And we really try and support  
13 that, knowing that it improves the likelihood  
14 of success upon reentry into the community.

15 ASSEMBLYMAN GOODELL: Thank you,  
16 Commissioner.

17 CHAIRMAN FARRELL: Thank you.

18 CHAIRWOMAN YOUNG: Thank you. Thank  
19 you very much.

20 I'd like to point out that we've been  
21 joined by Senator Velmanette Montgomery.  
22 Welcome.

23 I would like to question, because I  
24 have several questions and I'll probably have

1 to come back for a third round as chair.

2 But we've touched on it a little bit  
3 that the Governor has once again included  
4 Article VII legislation to raise the age of  
5 juvenile jurisdiction and implement juvenile  
6 justice reforms. And under the proposal, the  
7 age of juvenile jurisdiction would rise to  
8 16 years old on January 1, 2018, and to  
9 17 years old on January 1, 2019.

10 And we've asked some questions about  
11 the juvenile facilities. I would like to  
12 associate myself with Assemblyman Goodell's  
13 concerns about in the Western Region, all of  
14 the state facilities for youth have been  
15 closed. And in fact Great Valley was closed  
16 by the state a few years ago; Cattaraugus  
17 Limestone was closed. And so there is a  
18 great deal of travel time for families if  
19 they want to go visit their children in  
20 another part of the state. So I just would  
21 like to point that out.

22 But how many additional youth do you  
23 envision being placed with OCFS as a result  
24 of raising the age?

1                   ACTING COMMISSIONER POOLE:  So if the  
2                   bill were enacted as proposed, Senator, there  
3                   would be approximately 700 additional youth  
4                   at full implementation that would be served  
5                   within the OCFS system.

6                   CHAIRWOMAN YOUNG:  And as you  
7                   previously stated, you feel that the system  
8                   as it exists right now would be able to  
9                   handle that excess capacity?

10                  ACTING COMMISSIONER POOLE:  Some of  
11                  it.  I mean, you know, we have some capacity  
12                  within the system.  But I think we would also  
13                  look to some facilities that we may have  
14                  decommissioned in the past.  You know, we'd  
15                  have to really look at the whole picture if  
16                  the bill were to pass.

17                  But it's possible that some new  
18                  facilities would need to be reopened.

19                  CHAIRWOMAN YOUNG:  How many do you  
20                  have as detention facilities currently right  
21                  now under OCFS?

22                  ACTING COMMISSIONER POOLE:  So we have  
23                  one reception center.  That's in Brooklyn,  
24                  and that does assessments for youth coming

1           into the system -- not secure youth, but  
2           youth coming in for limited secure or  
3           nonsecure care. And then we have 11 other  
4           facilities. We have I think four secure  
5           facilities, and then the rest are a mix of  
6           limited secure facilities and nonsecure.

7                   CHAIRWOMAN YOUNG: Okay, thank you.

8                   How many of the facilities in the  
9           state are operated by OCFS, and then how many  
10          are voluntary agencies?

11                   ACTING COMMISSIONER POOLE: So there  
12          are approximately 88 voluntary agencies  
13          across the state operating a variety of  
14          foster-care and juvenile justice programs.

15                   CHAIRWOMAN YOUNG: Thank you.

16                   One of the issues that I've been  
17          concerned about over the years is the high  
18          rate of violence within the facilities, and  
19          it's been both youth-on-youth and then  
20          youth-on-staff. And as a matter of fact, it  
21          was a bipartisan effort, but a Democratic  
22          Assemblyman and I actually looked at the  
23          figures a few years ago, and workers' comp  
24          cases pointed to the fact that these

1 facilities were the most dangerous places to  
2 work in the state because of the violence on  
3 the staff.

4 So could you please tell us about what  
5 the current rate of violence in the juvenile  
6 detention facilities is, both youth-on-youth  
7 and youth-on-staff?

8 ACTING COMMISSIONER POOLE: Certainly.

9 So I think overall last year our  
10 restraints, number of restraints on youth is  
11 down about 15 percent from 2014. Our  
12 youth-on-youth violence is down slightly by  
13 2 percent. And our youth-on-staff assaults  
14 was up slightly by about 3 percent.

15 I would also just add, Senator, as a  
16 point of I think important information, you  
17 know, while workers' comp claims are up, you  
18 know, part of our model, as you may recall  
19 from our previous system and our involvement  
20 with the Department of Justice, was moving  
21 away from a prone restraint, that a restraint  
22 was the first response as a way to manage the  
23 situation. We've done a tremendous amount of  
24 work in the past decade or so creating an

1 alternative model that balances  
2 accountability and recognizes that these are  
3 young people who have a lot of mental health  
4 needs and other services.

5 So our restraint model that we have  
6 created now is a whole continuum of  
7 deescalation techniques that we have learned.  
8 We've also consulted with DOCCS to help  
9 improve our deescalation techniques.

10 But the fact of the matter is that a  
11 fair number of our workers' comp claims are  
12 as a result of a staff perhaps having a knee  
13 injury while safely performing, you know, a  
14 different type of restraint than they did in  
15 the past. So I just -- I think that's  
16 important context when we're talking about  
17 the violence.

18 The other thing I would say that is  
19 different is that even when there are  
20 situations where the youth are having a  
21 fight, one youth is going after another youth  
22 in the facility, you know, those things are  
23 going to happen when you have young people,  
24 you know, living together. They can be

1           impulsive, they're living in a relatively  
2           confined space, you know, with that group. I  
3           think you can all appreciate that.

4                     But I think what we've tried very hard  
5           to do as an agency is how we manage our  
6           response to those incidents so that they are  
7           addressed very quickly, that they are  
8           managed. And we have made tremendous  
9           investments in our facilities to have  
10          enhanced staffing, to have additional  
11          cameras, to have specialized security  
12          staff -- as I said, to have specialized  
13          deescalation techniques.

14                    So you know, Senator, I think our OCFS  
15          system today honestly is a very different  
16          system than the one some of you may recall,  
17          you know, from a decade ago. And I certainly  
18          would encourage all of you to come out and  
19          visit some of our facilities so you can see  
20          firsthand I think some of the changes we've  
21          tried to make.

22                    CHAIRWOMAN YOUNG: Thank you for that.

23                    And you said there were some minor  
24          reductions, 2 and 3 percent. And I would say

1 to you that, you know, as a state it's our  
2 responsibility to keep the youth that are  
3 under our care safe, and at the same time  
4 it's an important responsibility to make sure  
5 that our employees are safe. And I would  
6 appreciate any workers' comp case statistics  
7 or information that you may have. I don't  
8 know if you're prepared today to give it to  
9 us, but, you know, do you have that, the  
10 number of claims for employees in these  
11 facilities, and the value?

12 ACTING COMMISSIONER POOLE: I don't  
13 have it with me, Senator. We'd be happy to  
14 follow up with that information.

15 CHAIRWOMAN YOUNG: That would be very  
16 helpful.

17 As you know, we've had tragedies that  
18 have occurred. One that comes to mind is  
19 Renee Greco, who was murdered in a voluntary  
20 agency house in Western New York by some of  
21 the youth that were there, 19 years old, for  
22 example. And since that time, what changes  
23 have been made in those types of scenarios?  
24 because she was, you know, in her early 20s,



1 left alone with six youth; some had a history  
2 of violence. And, you know, as a result, we  
3 had a tragedy.

4 ACTING COMMISSIONER POOLE: Yes.

5 CHAIRWOMAN YOUNG: So have there been  
6 any changes to address those situations?  
7 Because it was hard to imagine why a young  
8 girl was left in charge of people with those  
9 kinds of criminal histories.

10 ACTING COMMISSIONER POOLE: Yes. So,  
11 Senator, you may also recall that after that  
12 terrible tragedy, as you just described,  
13 occurred, you know, OCFS took immediate  
14 action with that agency, and that particular  
15 program has since closed.

16 I think, generally speaking, all of  
17 our foster care providers, including those  
18 that run the type of facility that you  
19 mentioned, are intensively focused on  
20 employee safety as well. So there's  
21 additional training, there's enhanced  
22 staffing. In fact, we just had a meeting  
23 with COFCCA, the child and family childcare  
24 agencies, to really engage in additional

1 conversation together, how can we continue to  
2 explore improving safety.

3 But I think it's fair and accurate to  
4 say that following that tragedy, where a  
5 young woman was on staff alone that evening,  
6 is something that you would not find today in  
7 one of our agencies across the state.

8 The other thing that's changed  
9 substantially, Senator, is the fact that the  
10 Justice Center has also been created and  
11 again is another additional level of  
12 oversight, not only to certainly protect the  
13 vulnerable people who are being served,  
14 right, in a variety of programs, but also to  
15 hold all of us accountable, and those running  
16 programs, to make sure that we're doing a  
17 good job keeping staff safe as well.

18 CHAIRWOMAN YOUNG: Thank you for that  
19 answer.

20 I've been involved heavily and very  
21 concerned about juvenile justice for a long  
22 time. And right after I was elected to the  
23 New York State Assembly in 1999, in my  
24 district, in Salamanca, we had a terrible

1 case: 39-year-old Penny Brown went jogging  
2 on Mother's Day on a trail, so it was in the  
3 middle of the day in Salamanca, with her two  
4 dogs, and she never came home. She had been  
5 strangled with her dog's leash, and raped.  
6 So she was raped and murdered by a  
7 15-year-old by the name of Edward Kindt.

8 Edward Kindt had previous violent  
9 offenses and was supposed to be under the  
10 supervision of the Office of Children and  
11 Family Services. Obviously the ball was  
12 dropped somewhere. And as a result, we  
13 pushed very hard to pass Penny's Law,  
14 successfully, which actually increased the  
15 determinate sentencing of youth who commit  
16 second-degree murder.

17 So under the Governor's current  
18 proposal regarding Raise the Age, the age of  
19 criminal responsibility, as I said, for 16-  
20 and 17-year-olds would be raised, and there's  
21 a system that would be created called youth  
22 parts within a superior court in each county  
23 to exercise criminal jurisdiction. It's a  
24 change from what the Governor proposed last

1 year, but I still have concerns because the  
2 result could be that people who commit  
3 violent crimes could end up going to family  
4 court and actually have a decriminalization  
5 and a big reduction in a penalty.

6 And I just want to read some of the  
7 offenses that would be included under this  
8 proposal: First-degree murder; second-degree  
9 murder; first-degree kidnapping; first-degree  
10 arson; first-degree assault; first-degree  
11 manslaughter; first-degree rape; first-degree  
12 criminal sexual act; first-degree aggravated  
13 sexual abuse; second-degree kidnapping but  
14 only where the abduction involved the threat  
15 or use of deadly physical force;  
16 second-degree arson; first-degree robbery;  
17 attempt to commit first- or second-degree  
18 murder; attempt to commit first-degree  
19 kidnapping, such conduct committed as a  
20 sexually motivated felony; first-degree  
21 burglary; second-degree burglary;  
22 second-degree robbery; second-degree criminal  
23 possession of a weapon where such is  
24 possessed on school grounds, such conduct

1 committed as a sexually motivated felony;  
2 second-degree assault; criminally negligent  
3 homicide; aggravated criminally negligent  
4 homicide; second-degree manslaughter;  
5 second-degree aggravated manslaughter;  
6 first-degree aggravated manslaughter;  
7 first-degree course of sexual conduct against  
8 a child; predatory sexual assault; operating  
9 as a major trafficker; first-degree criminal  
10 possession of a chemical weapon or biological  
11 weapon; first-degree criminal use of a  
12 chemical weapon or biological weapon, such  
13 conduct committed as a sexually motivated  
14 felony; specified offense when committed as  
15 an act of terrorism; any felony-level act of  
16 terrorism.

17 So that's the list. And I understand  
18 that the Governor has changed his proposal so  
19 that it would go to the youth parts in the  
20 superior court, as I said, but there would  
21 still be the opportunity -- and I understand  
22 that it's with district attorneys signing  
23 off, but still, the opportunity for these  
24 very serious violent crimes to actually be

1 reduced in family court and basically  
2 decriminalized.

3 So I just want to point that out to  
4 you because I think that that is something  
5 that many members of the Legislature are  
6 concerned about, and public safety is one of  
7 our most basic responsibilities as elected  
8 officials. So I didn't know if you wanted to  
9 comment on --

10 ACTING COMMISSIONER POOLE: Yeah. No.  
11 So -- and I think what you just recited,  
12 Senator, I think is in recognition that I  
13 think the Governor and the administration too  
14 want to be certain that as we raise the age,  
15 that it's done so safely, that community  
16 safety is not compromised, and that young  
17 people who need to be held accountable are  
18 held accountable but also, at the same time,  
19 are given an opportunity, given the fact that  
20 they are juveniles and all the research  
21 points to the need for treatment and  
22 rehabilitation.

23 If it's any small comfort to you, I  
24 believe that when we look at the number of

1 young people, the 16- and 17-year-olds who  
2 have been coming to the attention of the  
3 criminal court system, the jail offenses,  
4 that the vast majority -- and I want to say  
5 it's about 92 percent, but don't quote me on  
6 that -- but nonetheless, a very high  
7 percentage of those 16- and 17-year-olds who  
8 have been coming to the attention of the  
9 system are for nonviolent offenses, the top  
10 offenses being burglary, robbery, and some  
11 level of assault.

12 But again, you know, Senator, as we  
13 continue to deliberate the Raise the Age  
14 proposal, I think any additional information  
15 about the types of youth we could certainly  
16 share with you.

17 And certainly I think we recognize,  
18 based upon the proposal last year, there was  
19 a concern about a presumptive transfer down  
20 to family court, which as you point out is  
21 not part of this proposal, and that it is  
22 upon the consent of the DA or a grand jury.  
23 And so, you know, that control is really left  
24 in the criminal court system.

1                   CHAIRWOMAN YOUNG: Okay. Thank you.

2                   I still have some deep concerns about  
3                   this proposal, but at this point I'll defer  
4                   to the Assembly and come back for some more  
5                   questioning.

6                   CHAIRMAN FARRELL: Assemblyman Oaks.

7                   ASSEMBLYMAN OAKS: Thank you,  
8                   Commissioner.

9                   In the state, the Child Care and  
10                  Development Block Grant requires a  
11                  responsibility on childcare providers to do  
12                  more inspections of those. And I see in the  
13                  budget that there is \$10 million additional  
14                  for that. With the requirements of that  
15                  oversight and the inspections, do you think  
16                  that \$10 million is going to sufficiently  
17                  cover all that has to be done?

18                  ACTING COMMISSIONER POOLE: You know,  
19                  I think it's a question that your colleagues  
20                  have raised. I think it's an initial  
21                  investment, Assemblyman, that we could begin  
22                  to -- you know, we already increased  
23                  inspections, as I think you heard me say.  
24                  Absent additional funding, last year OCFS



1 increased its inspection visits by about  
2 15 percent to childcare providers. So again,  
3 I think we want to continue those efforts.

4 I think the \$10 million will get us  
5 started, you know, on our way. Again, the  
6 other part of the federal act that is a new  
7 element for us is that these inspections also  
8 require the legally exempt community, so  
9 that's another significant group of providers  
10 that we will have to plan for and address.

11 ASSEMBLYMAN OAKS: Are these all going  
12 to be done by the state, or are some of those  
13 going to be responsibilities, the  
14 inspections, of the counties?

15 ACTING COMMISSIONER POOLE: So I think  
16 the majority will be done by the state. But  
17 we do have some CCR&Rs who may, you know,  
18 provide some inspection visits on behalf of  
19 us, particularly in a legally exempt care.  
20 So again, I think it will be a mix.

21 ASSEMBLYMAN OAKS: Thank you.

22 The other question I had was just  
23 related to after-school programs. And I know  
24 that we have a lot of programs run in schools

1           that are funded perhaps from other sources  
2           and whatever. Do we -- it was brought to my  
3           attention that, for instance, qualifying  
4           people to work in those programs, we have  
5           some staff who may work at the school during  
6           the day and also work at the after-school  
7           programs, but needing to be separately  
8           qualified to do that.

9                         Have we looked at trying to do, in  
10           this program and others, more synergy between  
11           the -- in cooperation between the different  
12           state agencies? So if we've qualified  
13           somebody here, it would seem to me that we  
14           ought to be able to do that for the others.

15                        ACTING COMMISSIONER POOLE: Yeah, I  
16           think that's a very similar theme to what I  
17           think it was Assemblywoman Lupardo raised  
18           earlier. And so I think, you know, again as  
19           we contemplate how to incorporate the  
20           elements of the federal act, I think we'll be  
21           looking at how can we -- now that we're going  
22           to be doing our needing to comply with  
23           additional clearances, how do we do so in a  
24           more efficient and less duplicative way?

1 ASSEMBLYMAN OAKS: Thank you.

2 CHAIRMAN FARRELL: Thank you.

3 CHAIRWOMAN YOUNG: Thank you.

4 Our next speaker is Senator Savino.

5 SENATOR SAVINO: Thank you, Senator  
6 Young.

7 I'm back for round two. First, for  
8 clarification, I just want to make the point  
9 that when we discussed earlier the fact that  
10 the City of New York wanted to be carved out  
11 of that statewide program for posting your  
12 most recent childcare inspection report, it  
13 was the previous administration, not the  
14 current administration.

15 ACTING COMMISSIONER POOLE: Okay.

16 SENATOR SAVINO: But I want to turn to  
17 an issue that we started working on a few  
18 years ago, and that was Close to Home. So if  
19 you can give me briefly the implementation of  
20 limited secure and whether or not we've moved  
21 to secure detention at all in that program.

22 ACTING COMMISSIONER POOLE: Sure.

23 Happy to.

24 So as you'll recall, legislation was

1 passed I think in 2012 calling for Close to  
2 Home -- which, just to recall everyone's  
3 memory, allowed New York City to reclaim its  
4 young people who were adjudicated needing a  
5 nonsecure level of care that was called  
6 Phase 1, and then Phase 2 was for youth  
7 needing limited secure care.

8 So after a lot of planning and work on  
9 the part of New York City and OCFS, in 2013  
10 Phase 1 -- which effectuated the transfer of  
11 238 youth from New York City out of state  
12 facilities back to the city -- was completed.  
13 So New York City created capacity within  
14 their service delivery system and then also  
15 had to create an after-care component. So  
16 that's the post-release supervision  
17 requirement of those young people leaving  
18 care. So that was ended.

19 And then just recently, at the end of  
20 2015, I think, frankly -- and I know if  
21 Commissioner Carrion were here, she would say  
22 the same thing -- New York City really wanted  
23 to be very thoughtful and to slow down the  
24 planning before doing the limited secure

1 phase.

2 You know, doing Close to Home  
3 nonsecure was, as expected, in many respects  
4 a learning lesson. A whole new population of  
5 youth, providers learning new skills and  
6 techniques. And so I think we very much  
7 supported them taking the second phase very  
8 slow, which they did.

9 So in December of 2015, just two  
10 months ago, with the state's approval, the  
11 city launched Phase 2, of limited secure.  
12 And so they have, again, a very small uptake  
13 of youth -- I think they have about six young  
14 people who are living in limited secure  
15 programs right now.

16 SENATOR SAVINO: Okay, thank you.

17 I want to turn to child welfare and  
18 child protective services. We are in the  
19 grip of a statewide epidemic with respect to  
20 opioid abuse and heroin abuse. And as you  
21 know, Commissioner, 25 years ago I started as  
22 a caseworker in the child welfare system.  
23 Then, the drug that was ravaging communities  
24 was crack. The default reaction from child

1 protective services then was any child that  
2 was born with a positive toxicity to drugs or  
3 alcohol was immediately remanded into foster  
4 care, and oftentimes the siblings were as  
5 well.

6 We no longer do that. But I'm curious  
7 as to what the effect of the opioid abuse  
8 crisis and the number of positive-tox babies  
9 is having on the child protective services  
10 system and the child welfare system.

11 ACTING COMMISSIONER POOLE: It's a  
12 very good question.

13 So we obviously have been, you know,  
14 watching this very closely in the past couple  
15 of years.

16 You know, we know that in looking at  
17 our data, approximately 19 counties are  
18 seeing some increase into foster care. And,  
19 you know, again, the trajectory of foster  
20 care in New York State has been downward.  
21 We've had about a 64 percent decrease in the  
22 number of children in care in the past  
23 20 years. And so we started to see a small  
24 uptick and it attributed, you know, to

1 removals due to the opioid/heroin crisis,  
2 particularly in upstate smaller  
3 jurisdictions.

4 And so, you know, we've been working  
5 very closely with OASAS, who I know -- and  
6 you heard their testimony -- they're doing a  
7 lot to try and create increased access to  
8 treatment services, which is always a  
9 challenge.

10 We've also been working with some  
11 counties that border the State of Vermont.  
12 We saw a lot of those counties being  
13 particularly impacted. And so we've joined a  
14 collaborative with some of those counties  
15 upstate.

16 So again -- and as to your question of  
17 babies born toxitive --

18 SENATOR SAVINO: Positive-tox.

19 ACTING COMMISSIONER POOLE: --  
20 positive-tox, I don't have that data. We  
21 probably could look to the Health Department  
22 to provide that.

23 But, you know, make no mistake, it's  
24 having an impact, certainly, in some counties

1           where sibling removals are on the increase.

2                       SENATOR SAVINO:  But you should have  
3           some sense, because a positive-tox birth  
4           should trigger a call to the state's central  
5           registry, if for no other reason than to come  
6           in and figure out what's happening with that  
7           family before you release an infant home to a  
8           mother who is obviously, you know, dealing  
9           with addiction issues.

10                      So there should be some way for you  
11           all to understand how many infants are born  
12           in this state positive-tox, how many families  
13           are receiving either preventive or protective  
14           services, how many court-ordered supervision  
15           cases.

16                      And the reason I bring this up is  
17           because I believe that we're going to start  
18           to see foster care placements rise again, and  
19           they may never reach the level that they did  
20           in the early 1990s because we treat these  
21           cases differently now.  We don't  
22           automatically take every child and put them  
23           into foster care.  But there's no doubt that  
24           we're going to have to do a better job of



1 coordinating services between child  
2 protective services, and maybe more  
3 court-ordered supervision, if not foster  
4 care.

5 So I would just hope that you and the  
6 local social service agencies, you know, take  
7 a better look at this and figure out how  
8 widespread this problem is and what we can do  
9 to preserve families and keep them together.

10 Thank you.

11 ACTING COMMISSIONER POOLE: Thank you,  
12 Senator.

13 CHAIRWOMAN YOUNG: Thank you, Senator.  
14 Assemblyman?

15 CHAIRMAN FARRELL: That's it.

16 CHAIRWOMAN YOUNG: Senator Kennedy.

17 SENATOR KENNEDY: Thank you again,  
18 Commissioner.

19 I want to talk a little bit about  
20 Healthy Families New York. In your  
21 experience, can you talk about how the  
22 relationship between OCFS and Healthy  
23 Families New York can work to proactively  
24 attack this scourge of abuse that's happening

1 in our communities?

2 ACTING COMMISSIONER POOLE: So we're  
3 very proud to -- that's our program, Healthy  
4 Families New York. So we are able to -- we  
5 have set 37 programs, Senator, across the  
6 state. It is a nationally recognized  
7 evidence-based model, you know, with really  
8 good returns on investment for the state.

9 And so these are for very young  
10 families with newborn children, home visiting  
11 model, going and teaching parents safe  
12 sleeping, all sorts of child development  
13 skills that have very good outcomes in terms  
14 of readiness of these children being ready  
15 for pre-K and kindergarten, reading  
16 outcomes -- we have a whole list of, you  
17 know, great outcomes. And as I said earlier,  
18 we're serving right now about 6,000 children  
19 in the state. So it's a program we're very  
20 proud of.

21 SENATOR KENNEDY: And do you believe  
22 that -- well, let me ask you this. What  
23 percentage of eligible mothers are actually  
24 enrolled in the program? Do you know that

1 percentage?

2 ACTING COMMISSIONER POOLE: I don't  
3 know the percentage, Senator.

4 SENATOR KENNEDY: Do you know if all  
5 eligible mothers are enrolled, or is there a  
6 gap?

7 ACTING COMMISSIONER POOLE: No, I  
8 think it's fair to say that there would be  
9 more opportunity to serve more families.

10 SENATOR KENNEDY: And do we have a  
11 cost on that?

12 ACTING COMMISSIONER POOLE: I don't  
13 know what it would take to take it to  
14 statewide scale.

15 And as Senator Squadron pointed out,  
16 you know, there are other valuable models of  
17 home visiting as well. But I don't know, you  
18 know, to your precise question, the exact  
19 unmet need.

20 SENATOR KENNEDY: Can you talk about  
21 the relationship between the enrollment in  
22 prevention services and its impact on child  
23 abuse statistically?

24 ACTING COMMISSIONER POOLE: So, you

1 know, I think the impact is the evidence that  
2 we see that this model of intervention with  
3 families, you know, and their children does  
4 show that those families who fully  
5 participate in the program -- and again, this  
6 is a program that is an average of five-year  
7 investment, so we stay with families, you  
8 know, for quite a bit of time -- has shown  
9 reductions in further reports to the state  
10 central register. So presumably that would  
11 show that there are families who have greater  
12 capacity to care for their children.

13 So I think it -- to your question  
14 about it as a prevention strategy, I think  
15 the answer is unquestionably yes, it is.

16 SENATOR KENNEDY: A prevention  
17 strategy that needs to be funded  
18 appropriately.

19 The home visiting programs that you  
20 had mentioned, can you talk about how those  
21 home visiting programs relate to child  
22 fatalities? What would be the cost savings  
23 associated with universal coverage?

24 ACTING COMMISSIONER POOLE: Well, as I



1 level playing field across the state as it  
2 pertains to these services; I think we can  
3 all agree on that. And from a needs-based  
4 perspective, Erie County is certainly teed up  
5 to be in dire need of that facilitated  
6 enrollment program for childcare at the  
7 275 percent level that DWI facilitates.

8 So I would just like to get your  
9 thoughts on how we can implement this in Erie  
10 County, because the folks that I represent  
11 desperately need this. But in every county  
12 across the state, so that there's not this  
13 mish-mosh across the state of counties that  
14 have this program and counties that don't.  
15 There should be an equitable playing field.

16 And I'd like to hear your thoughts on  
17 that, what we can do working together to make  
18 this happen.

19 ACTING COMMISSIONER POOLE: So, you  
20 know, I can't commit, as I did earlier,  
21 Senator, to going back and looking at the  
22 current facilitated enrollment initiative.

23 You know, as to your larger question,  
24 you know, the statewide-ness of these

1 initiatives, I think it's something that we  
2 always aspire to, you know, given our  
3 resources and other priorities. But again,  
4 you know, the issue of childcare has really  
5 been the number-one topic here, you know, at  
6 the hearing this morning.

7 So again, I'll take into consideration  
8 as we continue these conversations around  
9 childcare and access for other individuals  
10 across the state.

11 SENATOR KENNEDY: Great. And I'll  
12 just leave you with this, just to reiterate,  
13 that the city that I represent, Buffalo,  
14 New York, while we have come a long way and  
15 we're working to pull ourselves out of  
16 poverty, there's still an enormous percentage  
17 of children that are living in poverty, and  
18 the working poor, that need that service. It  
19 is a desperate opportunity that folks would  
20 take advantage of.

21 ACTING COMMISSIONER POOLE: Thank you,  
22 Senator.

23 Senator Montgomery.

24 SENATOR MONTGOMERY: Thank you, Madam

1 Chair.

2 Good morning -- good afternoon,  
3 Commissioner. I just want to ask you a  
4 question regarding the Close to Home and the  
5 Raise the Age.

6 You have certainly indicated in your  
7 testimony and I'm happy to see that the  
8 Governor has already done his executive order  
9 to remove young people from adult facilities.  
10 But I'd just like to ask if you have -- where  
11 you are in OCFS as it relates to funding for  
12 the evidence-based early intervention  
13 programs that are clearly known and have been  
14 successful in disrupting violent behavior and  
15 keeping young people out of the system  
16 altogether.

17 So I would like to know what kinds of  
18 programs you now fund that do restorative  
19 justice or the alternative to incarceration  
20 programs for young people, programs that  
21 combine employment and other aspects that  
22 young people need in order to help them  
23 change their lives and go in a different  
24 direction.



1                   And there are two programs that I  
2                   specifically know about and am very close to.  
3                   One of them is Youth Build, which does work  
4                   with young people in these categories, and  
5                   also Youth Courts. But I'm sure there are a  
6                   number of others that I'm not aware of  
7                   necessarily, but are found to be part of the  
8                   system where we invest in young people at an  
9                   early enough point so that we don't have to  
10                  pay for the back end when they're  
11                  incarcerated or they're in the system in one  
12                  way or another.

13                  ACTING COMMISSIONER POOLE: Yes. Yes.  
14                  I'm happy to.

15                  And, you know, Senator, I can't take  
16                  credit that all of these programs reside with  
17                  OCFS. We certainly support some through our  
18                  state reimbursement; as you know, the state  
19                  continues to pay counties 62 cents on the  
20                  dollar for their investment in prevention  
21                  programs like the ones that you just  
22                  mentioned. So that's our biggest pot of  
23                  money to support prevention.

24                  But also DCJS, the Department of

1 Criminal Justice Services, through local  
2 probation departments, also funds an array of  
3 alternatives to detention, youth restorative  
4 justice practices. So I think at the local  
5 level, through the Regional Youth Justice  
6 Teams, there are a lot of -- if they're not  
7 evidence-based -- effective programs that  
8 have done exactly what you would have hoped  
9 they would have done.

10 And I think that's evidenced by our  
11 overall state juvenile justice profile. The  
12 truth is the number of young people who are  
13 being brought to the front door of probation  
14 for referral, for PINS, is down dramatically.  
15 It's not just upstate, it's also in New York  
16 City. But I think in fact the stories are --  
17 they're not penetrating further into the  
18 system because probation, local departments  
19 of social services, youth bureaus, other  
20 important players at the local level, all of  
21 our not-for-profits, have really done a  
22 tremendous job in the past year trying to  
23 engage these young people so that they're not  
24 penetrating into our placement in the

1 juvenile justice system.

2 Also the Department of Labor -- you  
3 know, you mentioned employment. You know,  
4 the Urban Youth Jobs program, I think really  
5 understanding that for many of our young  
6 people in the system, you know, they've been  
7 educationally disadvantaged, right, for a  
8 number of reasons, and so they lose hope of a  
9 college degree -- although I just want to put  
10 a plug in that in our own secure facilities  
11 we actually have a number of partnerships  
12 with colleges. We've had a number of youth  
13 in our secure facilities actually obtain an  
14 associate's degree, and so forth.

15 So again, I think there is wide  
16 recognition -- and, you know, the Governor  
17 has been focused on reentry and removing some  
18 of those barriers to adults as well as young  
19 people really being successful citizens in  
20 the community. So I think that's a good  
21 story for New York State, Senator.

22 SENATOR MONTGOMERY: Yes. I certainly  
23 would like to hear more of that from you, if  
24 at all possible. And I recognize that in

1           order to be successful with Raise the Age, we  
2           will need, in communities, some  
3           infrastructure which helps us to be able to  
4           deal with young people very differently from  
5           just appearing at your door with a PINS  
6           petition.

7                     ACTING COMMISSIONER POOLE:

8           Absolutely.

9                     SENATOR MONTGOMERY:  So thank you for  
10          that.

11                    ACTING COMMISSIONER POOLE:  And so  
12          just to that point, Senator, in the state  
13          fiscal plan, you know, '17 -- the outyears,  
14          you know, there's \$155 million in the outyear  
15          state plan to support all those kinds of  
16          local efforts to build capacity to serve  
17          those young people.  So I think the Governor  
18          has extended his commitment to support that  
19          development.

20                    SENATOR MONTGOMERY:  I appreciate  
21          that.  Thank you.

22                    ACTING COMMISSIONER POOLE:  Thank you,  
23          Senator.

24                    CHAIRWOMAN YOUNG:  Thank you.

1                   Senator Squadron.

2                   SENATOR SQUADRON: Thank you very  
3 much. And thank you for the opportunity to  
4 come back.

5                   Just briefly, in answer to Senator  
6 Montgomery's question, Nurse-Family  
7 Partnership has a 50 percent reduction in  
8 participation in the criminal justice system  
9 at 15 years of age, exactly the Raise the Age  
10 category we're talking about, for both kids  
11 and parents. So you talk about diversion and  
12 prevention, Nurse-Family Partnership is an  
13 extraordinary program. I was disappointed  
14 you didn't raise that.

15                  ACTING COMMISSIONER POOLE: Thank you,  
16 Senator.

17                  SENATOR SQUADRON: Also, Senator  
18 Kennedy asked about savings from reduced  
19 child protective services or abuse and  
20 neglect claims if Healthy Families was  
21 expanded. Your answer was that you didn't  
22 know the cost of expansion, but he was asking  
23 about savings.

24                  Do we know how much claims of abuse

1 and neglect could be reduced if Healthy  
2 Families or Nurse-Family Partnership were  
3 expanded?

4 ACTING COMMISSIONER POOLE: We have  
5 not done that analysis that I'm aware of,  
6 Senator.

7 SENATOR SQUADRON: The analysis, the  
8 public analysis of Healthy Families New York  
9 is a 49 percent reduction in cases of  
10 confirmed CPS between -- in child protective  
11 services between the fifth and seventh  
12 years -- a 49 percent reduction in the rate  
13 of confirmed child protective services claims  
14 between Years 5 and 7. Nurse-Family  
15 Partnership is 48 percent over 15 years.

16 So there is an answer to that question  
17 that we know. And just to be clear,  
18 reductions in child protective services  
19 claims protect children, save lives and  
20 families -- but they also save money; right?

21 ACTING COMMISSIONER POOLE: Yes.

22 SENATOR SQUADRON: About how much?

23 ACTING COMMISSIONER POOLE: That's the  
24 part of the question I don't have an answer

1 for, Senator.

2 SENATOR SQUADRON: What's the average  
3 cost of each claim?

4 ACTING COMMISSIONER POOLE: I don't  
5 have the answer.

6 SENATOR SQUADRON: We don't know how  
7 much it costs every time a family gets  
8 involved in the CPS system?

9 ACTING COMMISSIONER POOLE: No, we  
10 don't. I don't have that information.

11 SENATOR SQUADRON: Is it possible to  
12 try to get that to us?

13 ACTING COMMISSIONER POOLE: Yes,  
14 Senator, we'll work on that.

15 SENATOR SQUADRON: Thank you.

16 But we know whatever that cost is,  
17 it's that divided by two if we expand Healthy  
18 Families and Nurse-Family Partnership.

19 ACTING COMMISSIONER POOLE:  
20 Understood. Thank you.

21 SENATOR SQUADRON: Thank you.

22 CHAIRWOMAN YOUNG: Thank you, Senator.

23 Just a couple of quick questions  
24 before we close.

1           Senator Savino asked about the Close  
2           to Home program. And as you know, Phase 1  
3           involved the transfer of the custody for  
4           young people in nonsecure placements from  
5           OCFS to New York City. However, there was a  
6           March 2014 report that showed -- that was  
7           done by you, your agency -- that showed that  
8           there were more than 1,100 escapes by youth  
9           during the program's first year.

10           So I was wondering what specific  
11           actions have been taken to address this  
12           problem.

13           ACTING COMMISSIONER POOLE: Yes,  
14           certainly.

15           So the report you're referring to is  
16           of course published in early 2014. I think  
17           it's very fair to say that in the early  
18           implementation phases of the nonsecure that  
19           there was an adjustment, you know, as I  
20           described earlier. The escapes were in fact  
21           AWOLs, the majority of which young people  
22           they were now in more neighborhood settings,  
23           closer to their families. They are not in  
24           locked-down facilities. You know, there were



1 a lot of kids exiting those programs, but the  
2 vast majority returned within an hour or two.  
3 So just to kind of put that into some  
4 context.

5 We provide very rigorous oversight  
6 from the state level of the Close to Home  
7 initiative. We created a special Close to  
8 Home oversight team who works very closely  
9 with ACS in monitoring programs performance.

10 During the initial implementation of  
11 the nonsecure portion of Close to Home when  
12 it became evident, Senator, that some of the  
13 providers just weren't up to getting the job  
14 done, New York City took appropriate action  
15 in putting those agencies on heightened  
16 monitoring, trying to provide technical  
17 assistance to support them in stabilizing the  
18 program.

19 And in instances where that was not  
20 successful, the city, with urging from the  
21 state, took appropriate oversight to actually  
22 exit the contract for that provider.

23 And so they had a challenging  
24 beginning, but I am pleased to report that on

1 the nonsecure portion they've actually made  
2 tremendous progress in reducing the AWOLs for  
3 those programs. They're getting some really  
4 good educational outcomes for the young  
5 people in the nonsecure programs.

6 CHAIRWOMAN YOUNG: Have you looked at  
7 2015 statistics? Do you know what those are?

8 ACTING COMMISSIONER POOLE: I'm sorry,  
9 Senator?

10 CHAIRWOMAN YOUNG: Have you looked at  
11 2015 statistics? Do you know what those are  
12 as far as escapes? So you said they're down.

13 ACTING COMMISSIONER POOLE: Yes.

14 CHAIRWOMAN YOUNG: So do you have any  
15 kind of report that you can give to the  
16 Legislature regarding those incidents?

17 ACTING COMMISSIONER POOLE: Certainly  
18 I can provide that to you. Yeah, it's down  
19 dramatically, I do know that. But I want to  
20 be accurate when I give you the number.

21 CHAIRWOMAN YOUNG: Thank you. That  
22 would be helpful.

23 ACTING COMMISSIONER POOLE: Of course.

24 CHAIRWOMAN YOUNG: I just want to

1 touch on Phase 2 implementation. That is  
2 placing youth in limited secure placements.

3 ACTING COMMISSIONER POOLE: Yes.

4 CHAIRWOMAN YOUNG: As you said, you've  
5 launched Phase 2 recently, and you said there  
6 have been six young people who have been  
7 placed through the program.

8 ACTING COMMISSIONER POOLE: Mm-hmm.

9 CHAIRWOMAN YOUNG: And just to follow  
10 up, how many limited secure facilities does  
11 New York City oversee, and what level of  
12 oversight do you have as an agency over those  
13 facilities? How does that operate?

14 ACTING COMMISSIONER POOLE: So the  
15 city contracts -- they did an RFP, a request  
16 for proposal, within the city -- for the  
17 provision of those limited secure services.  
18 I believe there are three providers who were  
19 selected. And I believe right now there are  
20 probably six or seven active open programs  
21 that we license. So they have to apply to  
22 us, they have to go through a rigorous  
23 application period, we have to make sure that  
24 everything that was in that program proposal

1 comports with the limited secure plan that  
2 the city said.

3 So there is intense state involvement  
4 even before any youth go into the facility;  
5 it is us who actually issues the operating  
6 license for the city-contracted program.

7 And again, Senator, I think our state  
8 team's oversight of the limited secure  
9 portion is similarly intensive as it was in  
10 the nonsecure portion. Our staff do  
11 unannounced visits to Close to Home programs,  
12 we receive incident reports, we meet  
13 regularly with those agencies to help  
14 problem-solve and provide technical  
15 assistance. So there's a lot of state  
16 involvement, and the city's been a good  
17 partner with us.

18 CHAIRWOMAN YOUNG: Have there been  
19 incidents of youth escaping from the limited  
20 secure in New York City under the Close to  
21 Home?

22 ACTING COMMISSIONER POOLE: Not to my  
23 knowledge.

24 CHAIRWOMAN YOUNG: Okay, thank you.

1                   And do you have any information on the  
2 rates of violence -- again, youth-on-youth,  
3 youth-on-staff -- in those facilities?

4                   ACTING COMMISSIONER POOLE: I do not  
5 have that available.

6                   CHAIRWOMAN YOUNG: How could we get  
7 that information?

8                   ACTING COMMISSIONER POOLE: I'll see  
9 what is collected, Senator, and we'll see  
10 what we can provide to you.

11                   CHAIRWOMAN YOUNG: Okay, thank you.  
12 Thank you.

13                   Anybody else?

14                   I think that concludes your portion of  
15 the program. Thank you for sticking with it.  
16 We appreciate you being you here today --

17                   ACTING COMMISSIONER POOLE: Thank you  
18 all very much.

19                   CHAIRWOMAN YOUNG: -- and look forward  
20 to working with you in the future.

21                   ACTING COMMISSIONER POOLE: Thank you,  
22 Senator. Thank you all.

23                   CHAIRWOMAN YOUNG: Thank you.

24                   Our next speaker -- actually, I think

1 we have a group. Testifying on behalf of the  
2 New York State Office of Temporary and  
3 Disability Assistance Commissioner Samuel D.  
4 Roberts, we have Commissioner James S. Rubin,  
5 commissioner of the New York State Division  
6 of Housing and Community Renewal; Sharon  
7 Devine, executive deputy commissioner of the  
8 New York State Office of Temporary and  
9 Disability Assistance; Linda Glassman, OTDA  
10 deputy commissioner; and Krista Rock, OTDA  
11 general counsel. Welcome.

12 So the question is, who's on first?

13 EX. DEP. COMMISSIONER DEVINE: Keep  
14 your eyes on the center.

15 CHAIRWOMAN YOUNG: To the center.

16 EX. DEP. COMMISSIONER DEVINE: Yes.

17 CHAIRWOMAN YOUNG: Welcome. And we  
18 look forward to your testimony.

19 EX. DEP. COMMISSIONER DEVINE: Good  
20 morning, almost afternoon, to the Finance  
21 Committee, Chairs Farrell and Young, and to  
22 the Social Services Committee Chairs Hevesi  
23 and Carlucci, and to all the committee  
24 members here today.

1                   I'm Sharon Devine. I'm the OTDA's  
2                   executive deputy commissioner.  
3                   Unfortunately, Commissioner Sam Roberts is  
4                   unable to be here with us this morning due to  
5                   an emergency back in Syracuse.

6                   I want to begin by talking about  
7                   OTDA's core mission, which is to help our  
8                   most vulnerable New Yorkers get back on their  
9                   feet. The agency oversees a range of the  
10                  state's most important programs for  
11                  low-income residents, focusing on employment  
12                  wherever possible. Those programs serve over  
13                  4.5 million New Yorkers, and they include  
14                  providing cash, food and heating assistance;  
15                  overseeing the state's child support  
16                  enforcement program; supervising homeless  
17                  housing and services programs; inspecting  
18                  homeless housing shelters; and providing  
19                  assistance to certain refugee and immigrant  
20                  populations. The agency also provides  
21                  funding to local districts and  
22                  not-for-profits to assist low-income families  
23                  in finding and retaining employment.

24                  Over the past year, major agency

1 accomplishments include providing more than  
2 \$70 million to create over 800 homeless  
3 housing units; launching a statewide shelter  
4 inspection initiative; collecting a state  
5 record of \$1.83 billion in child support  
6 payments; and increasing the state's SNAP  
7 participation rate to 86 percent of all  
8 eligible New Yorkers -- that's up 6 percent  
9 from the previous year.

10 Governor Cuomo, who started working to  
11 help homelessness people over 30 years ago,  
12 says he's deeply troubled by our homeless  
13 crisis. We need to rally around the  
14 Governor's unprecedented \$20 billion housing  
15 plan in his 2016 Built to Lead agenda. I  
16 know my colleague Commissioner Rubin from HCR  
17 covered the details of that plan in his  
18 testimony, so what I'm planning to focus on  
19 is the important steps my agency is taking to  
20 immediately make sure that homeless people  
21 come in from the cold and are housed in safe,  
22 clean shelters.

23 OTDA is working closely with local  
24 social service districts to help each county



1           comply with the executive order to protect  
2           the homeless when temperatures drop to  
3           32 degrees or below.

4                       My agency has also launched an  
5           unprecedented initiative to inspect homeless  
6           shelters statewide. This effort is designed  
7           to ensure that shelters are safe and  
8           well-maintained, as well as fully compliant  
9           with all laws and regulations. To support  
10          these inspections, OTDA introduced new  
11          regulations that strengthen the state's  
12          oversight authority over the emergency  
13          shelter network.

14                      Reducing poverty is critical, and  
15          we've made historic economic progress in  
16          New York State since the Governor took office  
17          five years ago. Unfortunately, concentrated  
18          pockets of poverty still remain. The  
19          statewide poverty rate is less than  
20          16 percent; however, some cities have poverty  
21          rates that are double that. The Governor's  
22          Empire State Poverty Reduction Initiative  
23          will provide \$25 million to 10 targeted  
24          high-poverty areas around the state. Each of

1 the 10 communities selected will receive half  
2 a million dollars in implementation grants.  
3 Then government stakeholders and nonprofits  
4 will partner to apply for the remaining  
5 \$20 million in capital grants.

6 Governor Cuomo wants us to help  
7 750,000 more households gain access to the  
8 federal Supplemental Nutrition Assistance  
9 Program, often called SNAP. He is also  
10 adopting a recommendation of his Anti-Hunger  
11 Task Force and raising the gross income test  
12 from 130 percent of the federal poverty level  
13 to 150 percent for all households with earned  
14 income.

15 Those additional households could  
16 receive nearly \$700 million in federally  
17 funded SNAP benefits each year. They'll  
18 spend those funds in local markets and create  
19 an economic impact of \$1.2 billion annually.

20 I'm looking forward to collaborating  
21 with you, along with the Governor and our  
22 partner agencies, as we work to lift up and  
23 fortify all New Yorkers. Our agency is  
24 dedicated to helping the most vulnerable --

1 with no judgments attached. We welcome your  
2 questions and comments.

3 CHAIRWOMAN YOUNG: Thank you.

4 EX. DEP. COMMISSIONER DEVINE: Before  
5 we take questions, I'd just like to introduce  
6 the two individuals who are sitting at the  
7 table with me. We have Commissioner Jamie  
8 Rubin, as Senator Young has stated. We  
9 collaborate a lot together on homeless and  
10 housing issues, so we thought we'd bring  
11 Jamie along.

12 We also have Krista Rock, who leads  
13 our legal division within the agency and has  
14 expert knowledge as well.

15 We're ready for any questions.

16 CHAIRWOMAN YOUNG: Thank you very much  
17 for that.

18 Our first speaker is Senator Persaud.

19 SENATOR PERSAUD: Good morning.

20 CHAIRWOMAN YOUNG: Who, by the way, is  
21 ranking member on Social Services. So we're  
22 glad to hear from you.

23 SENATOR PERSAUD: Good morning. My  
24 first question to you, it's in reference to

1 TANF funding. Because I didn't really hear  
2 much about the funding surrounding children.

3 As we know, \$19.5 million were cut,  
4 and most of these cuts have to do with  
5 childcare. What is the rationale for these  
6 cuts, especially in a time when we know the  
7 childcare subsidy is critical in our state?

8 EX. DEP. COMMISSIONER DEVINE: At its  
9 core, OTDA is about helping families to get  
10 back on their feet. And we recognize the  
11 importance of childcare in that effort, and  
12 so the childcare funding we look at as an  
13 important tool to help our clients achieve  
14 economic self-sufficiency.

15 So as such, we're working with our  
16 colleagues over in OCFS on the funding that  
17 has been identified. You know, as they  
18 evaluate the costs and the programmatic  
19 implications to their childcare needs, we  
20 will be working with them to determine what  
21 the best approach is moving forward.

22 SENATOR PERSAUD: Was there -- was  
23 childcare specifically targeted for these  
24 cuts? Because it seems disproportionate to

1 the other cuts.

2 EX. DEP. COMMISSIONER DEVINE: Well, I  
3 defer to my colleagues in OCFS on the impact  
4 of those cuts. But, you know, again, OTDA  
5 sees child support as an important support  
6 for those families who are working and need  
7 the additional support.

8 SENATOR PERSAUD: Thank you.

9 My other question is around the public  
10 assistance caseload. We see a decrease in  
11 the caseload. And what can you tell us  
12 contributes to this decrease in caseload and  
13 the funding? And what specific factors were  
14 taken into consideration when you did the  
15 budget estimates?

16 EX. DEP. COMMISSIONER DEVINE: So  
17 annually, as the Executive Budget is  
18 prepared, caseload projections, which are  
19 based on a number of different economic  
20 factors models -- and it would take into  
21 account current employment levels, the  
22 state's minimum wage, as well as a number of  
23 state and national factors.

24 So when you combine all of those

1 features, the Division of the Budget has come  
2 up with a projected caseload. And the  
3 funding that has been appropriated in this  
4 year's budget is sufficient to cover that  
5 caseload.

6 SENATOR PERSAUD: I am not really  
7 seeing that. But I will follow up with you  
8 on that.

9 EX. DEP. COMMISSIONER DEVINE: Okay.

10 SENATOR PERSAUD: The decrease in the  
11 caseload, do you foresee -- this is a trend  
12 going forward in the outyears. And what is  
13 contributing, again, to that trend?

14 EX. DEP. COMMISSIONER DEVINE: Can you  
15 repeat that again?

16 SENATOR PERSAUD: The decrease in the  
17 caseload, you say it will continue in the  
18 outyears. And what do you think really is  
19 contributing to this decrease? Because we  
20 see an increase in need, but a decrease in  
21 the caseload.

22 EX. DEP. COMMISSIONER DEVINE: I think  
23 there -- I'm not an economist, but I think  
24 that there are a lot of factors economically

1           that play into whether or not the caseload  
2           would increase or decrease. I think it's,  
3           you know, really based on having enough jobs  
4           around the state in order for people to  
5           maintain a standard of living. And so,  
6           again, I don't work on those projections.  
7           However, those would be my assumptions.

8                         SENATOR PERSAUD: You say it's  
9           increasing the standard of living. That ties  
10          into our raising the wages, but that's a  
11          different topic.

12                        Getting back to TANF funding again,  
13          there's -- CUNY's childcare funding was cut.  
14          Can you tell me why, when there's such a  
15          great need for childcare assistance within  
16          CUNY?

17                        EX. DEP. COMMISSIONER DEVINE: I'm  
18          sorry, I wish I had the answer to that. I  
19          really don't know. I would have to defer to  
20          the education experts on the funding levels  
21          within the State University system.

22                        SENATOR PERSAUD: That's all within  
23          your agency. The funding for that particular  
24          program was cut from your agency.

1 EX. DEP. COMMISSIONER DEVINE: For  
2 CUNY?

3 SENATOR PERSAUD: Yeah, the childcare  
4 subsidy.

5 EX. DEP. COMMISSIONER DEVINE: Okay, I  
6 would have to look into that.

7 SENATOR PERSAUD: Thank you.

8 My other question to you, it's around  
9 homelessness. And we see that the Executive  
10 Budget includes comprehensive affordable  
11 housing and the homeless plan. Under the  
12 executive's affordable housing plan, it's  
13 proposed to add 1,000 emergency shelter beds.  
14 Do we know the cost of each bed? And where  
15 are we proposing to place each bed?

16 New York City in particular has a  
17 growing homeless population. And when we say  
18 1,000 beds and the amount of money that we're  
19 talking about, you -- allocating 1,000 beds  
20 is just a drop in the bucket. What are our  
21 real plans to combat the homeless situation?

22 EX. DEP. COMMISSIONER DEVINE: There  
23 are a number of different things that we are  
24 doing to combat the homeless situation.



1                   But to address the thousand-bed issue,  
2                   we are, you know, currently working to  
3                   identify where the greatest need is with  
4                   regards to the shelter beds. And so adding  
5                   additional shelter beds will only help us be  
6                   able to address the larger statewide homeless  
7                   issue.

8                   However, this Executive Budget is just  
9                   a banner year for the agency with regards to  
10                  homelessness. As you know, there are several  
11                  different initiatives that are included in  
12                  there. We talked about the \$20 billion, but  
13                  \$10 billion of that is specifically geared  
14                  towards the Governor's homeless action plan,  
15                  which include the creation of 6,000 units of  
16                  supportive housing across the State of  
17                  New York. It also would include support for  
18                  several homeless housing services programs.  
19                  And so we're looking forward to enactment of  
20                  this budget this year.

21                  SENATOR PERSAUD: Do you have the  
22                  distribution of the 6,000 units? And again,  
23                  can you tell me, the 1,000 beds, do you have  
24                  the distribution of that?

1                   EX. DEP. COMMISSIONER DEVINE: We do  
2 not have the distribution of the thousand  
3 beds. However, I'd like to defer to my  
4 colleague Commissioner Rubin on distribution  
5 of the 6,000.

6                   COMMISSIONER RUBIN: Good morning,  
7 Senator. I assume -- you're asking about  
8 geographic? Just to be sure.

9                   So I testified -- you were not there,  
10 but I testified a couple of weeks ago about  
11 the supportive housing plan, and I think I  
12 said at the time that while we don't have an  
13 exact geographic breakdown yet, it should  
14 track roughly the incidence of homeless or  
15 special needs populations across the state.  
16 And if the past data that we've got points to  
17 where we are today, which it probably does,  
18 my guess is you're going to see something  
19 like -- call it 75 to 85 percent of those  
20 beds in New York City, and the balance in the  
21 rest of the state.

22                   SENATOR PERSAUD: Are you paying  
23 particular attention to the rural areas where  
24 there's a growing homeless population also?

1                   COMMISSIONER RUBIN: With respect to  
2 the supportive housing plan or --

3                   SENATOR PERSAUD: Yes.

4                   COMMISSIONER RUBIN: Sure. So  
5 actually -- this is going to be a little bit  
6 of a ping-pong-ball exercise. But I think --  
7 my guess is that with respect to the rural  
8 homeless, again, there are -- we have any  
9 number of programs across state agencies to  
10 address them. I know that my colleagues at  
11 OTDA have, through the HHAP, particularly  
12 outside of New York City, very valuably, have  
13 over time assisted and helped build many of  
14 the smaller homeless agencies. My guess is  
15 some of those are in rural areas?

16                  EX. DEP. COMMISSIONER DEVINE:

17 Absolutely. The HHAP program has  
18 successfully created thousands of units all  
19 across the State of New York. And so we're  
20 looking to continue that program in order to  
21 address some of those rural areas as well.

22                  SENATOR PERSAUD: Thank you. That's  
23 it for now.

24                  SENATOR KRUEGER: Thank you.

1 Assembly?

2 CHAIRMAN FARRELL: Thank you.

3 First to question from our side,  
4 Chairman Hevesi.

5 ASSEMBLYMAN HEVESI: Hi. Good  
6 afternoon.

7 EX. DEP. COMMISSIONER DEVINE: Good  
8 afternoon.

9 ASSEMBLYMAN HEVESI: First, I  
10 appreciate the fact that all of you are here,  
11 because I know some of the issues cross both.

12 And to start with, let's give some  
13 credit where credit is due. This is a very  
14 good budget, and we'd like to thank the  
15 Governor. Let me go through it.

16 So first, the fact that the  
17 \$15 million Rental Assistance Program that  
18 the Assembly and the Senate put forward last  
19 year has been baselined for five years.  
20 Thank you for that. That is outstanding.

21 And we'll touch on a non-budget issue  
22 that we are greatly appreciative of, which is  
23 the sanctions, the conciliation bill that the  
24 Governor signed. I know Assemblyman Wright

1 has been pushing for that for several years.

2 So that's great. Thank you.

3 We will be coming back, as I mentioned  
4 to Ms. Devine, we'll be coming back for the  
5 rest of state. I hate that phrase, "rest of  
6 state." But we'll be coming back with all of  
7 New York State. So that's great.

8 And then supportive housing. To be  
9 perfectly honest, this is, you know,  
10 historic. And the Governor, to his credit,  
11 should take a bow on this one: 20,000 units  
12 of supportive housing, in addition to the  
13 mayor's 15,000, is remarkable. I know some  
14 executives like saying "This is historic"  
15 frequently, but this is actually historic. I  
16 want to give the Governor credit and thank  
17 him and you for your work on this issue.

18 A couple of questions I have about --  
19 let me start there, with that commitment to  
20 20,000. Are you guys in conversations with  
21 the city to put together a New York/New York  
22 IV agreement so we can make sure that those  
23 20,000 come online after both Mayor de Blasio  
24 and Governor Cuomo are no longer in office?

1                   EX. DEP. COMMISSIONER DEVINE: So I  
2                   think our foremost concern is about getting  
3                   the program up and going and making sure that  
4                   we are delivering the units as, you know,  
5                   quickly as we possibly can. And so I'm not  
6                   sure when an agreement will be signed or if  
7                   it's even necessary, understanding that the  
8                   20,000 units are fully funded and I think  
9                   New York City's units are also fully funded.

10                  ASSEMBLYMAN HEVESI: Okay, I  
11                  understand that and I appreciate it. But  
12                  from a legislative perspective -- and I take  
13                  both the Governor and the mayor at their word  
14                  with their numbers. But they're going to be  
15                  out of office. So to budget long-term and to  
16                  make sure that there's a commitment by the  
17                  city and the state respectively, I would  
18                  really look to start looking to get an  
19                  agreement together. I would strongly insist  
20                  on that, if I could, but in the context of I  
21                  am incredibly grateful to your actions on  
22                  that.

23                  Let me ask you a couple of questions  
24                  about the 6,000 units, if I can. Right now,

1           if I understood Commissioner Rubin, you said  
2           that -- or my understanding of the plan is  
3           most of the supportive housing units are  
4           going to be matching what the city has  
5           proposed? Is that the current plan with your  
6           6,000? So it would be 5,000 for the city and  
7           about a thousand or 1200 upstate?

8                        COMMISSIONER RUBIN: Assemblyman,  
9           before I answer your question I want to make  
10          sure you're talking about taking -- giving  
11          credit where credit is due, I would be remiss  
12          if I didn't thank you for your leadership on  
13          this, this exact same issue.

14                       ASSEMBLYMAN HEVESI: No problem. See,  
15          when we work together, great things happen,  
16          and that's everybody in the Legislature. So  
17          thank you, sir. I appreciate it.

18                       COMMISSIONER RUBIN: Not at all.  
19          As far as geographic distribution,  
20          again, I -- the best we can do at the moment,  
21          I think, is, you know, the way our agency  
22          works, and our agency is the capital provider  
23          for most of those units, for most of those  
24          units we issue periodic capital RFPs, so

1 competitive issuances to make the world know  
2 that our capital is available once they've  
3 got services contracts in place.

4 My guess is that what we will see is  
5 that the distribution, as I said, of  
6 applicants for that capital is going to be  
7 something like, I don't know, call it  
8 85 percent New York City and 15 percent rest  
9 of state. That just matches where our best  
10 understanding is of where the capital has  
11 been spent in past years.

12 ASSEMBLYMAN HEVESI: Okay. So if I  
13 may, a recommendation. So first, if you're  
14 talking about capital units you mean that by  
15 definition you're going to build new housing  
16 or new units. So that means no units are  
17 coming online until about 2018-2019, is my  
18 understanding. Am I right?

19 COMMISSIONER RUBIN: So, Assemblyman,  
20 anticipating where you're going with this, if  
21 I can try --

22 ASSEMBLYMAN HEVESI: No, no, go.  
23 Please.

24 COMMISSIONER RUBIN: We



1 specifically -- in the 6,000 unit commitment  
2 we specifically did not include funding for  
3 scattered-site units, which are, as you're  
4 I'm sure aware -- better aware than I am,  
5 probably -- the traditional method for  
6 bringing online new capacity ahead of the  
7 capital -- you know, the capital cycle.

8           You know, the reason for that is  
9 fundamentally we had some -- I will say we  
10 had some concerns about the scattered-site  
11 model just generally, and you --

12           ASSEMBLYMAN HEVESI: Agreed.

13           COMMISSIONER RUBIN: -- recall  
14 conversations around it. And the Governor  
15 wanted to make sure that this was a long-term  
16 capital plan and that, you know, funding for  
17 scattered-site may come from elsewhere.

18           My understanding is that the mayor's  
19 plan has substantial funding for new  
20 scattered-site, which obviously is a  
21 different model.

22           ASSEMBLYMAN HEVESI: So we're on the  
23 same page. I would recommend an addition of  
24 scattered-site units on top of the 6,000 to

1 address the need for immediate relief, but  
2 primarily upstate.

3 Now, I'm a guy from Queens, but I've  
4 got to tell you, upstate has a real  
5 homelessness problem too. So if you're  
6 looking to do scattered-site, and even though  
7 my colleagues in the city might not love  
8 this, I would strongly recommend that you  
9 take a look at upstate first for immediate  
10 relief, and some in the city as well. Also,  
11 you know, just recognizing that scattered-  
12 site in the city and scattered-site upstate  
13 are very different animals.

14 So I would ask you to take a look at  
15 that.

16 COMMISSIONER RUBIN: Thank you,  
17 Assemblyman.

18 ASSEMBLYMAN HEVESI: If I could move  
19 on to existing supportive housing units.  
20 And, Ms. Devine, you and I talked about this.  
21 Advocates and my colleagues in the Assembly  
22 and I have estimated that there's about a  
23 \$4.8 million deficit for current supportive  
24 housing units that we'll need an additional

1           \$4.8 million to sort of keep them up and  
2           running baseline.

3                     And while we're talking about this in  
4           the context of a great commitment long-term  
5           for new units, I just want to make sure that  
6           the units we have online that have just come  
7           online here are properly funded. So we're  
8           going to be looking to move on that in the  
9           Assembly. I would also ask you to consider  
10          that as well. We have the number at -- it's  
11          \$38.99 million, I'll call it. You know, 39  
12          or 40. But I would ask you to keep an eye on  
13          that.

14                     EX. DEP. COMMISSIONER DEVINE:  
15          Absolutely.

16                     ASSEMBLYMAN HEVESI: And then there's  
17          some other homeless issues I just want to  
18          bring to your attention.

19                     First, there is language in the  
20          budget, Article VII language, that permits  
21          the state to withhold funds from New York  
22          City. Whatever the logic is behind that one,  
23          I just want you to know that's a nonstarter  
24          for us. I just don't see the need for that.

1                   And then I have some questions about  
2                   the thousand new emergency beds. And Senator  
3                   Persaud raised this. Just the plan with  
4                   that? What's the logic? Where do you think  
5                   you're going to put those beds?

6                   EX. DEP. COMMISSIONER DEVINE: You  
7                   know, based on the crisis that we have at  
8                   hand, you know, the state thought it prudent  
9                   to develop as many additional units to help  
10                  the localities as we possibly could. And so  
11                  a thousand units is the target that the  
12                  Governor has set for us. We're working  
13                  towards right now, identifying possible  
14                  locations and working towards administrative  
15                  red tape to possibly bring those online,  
16                  which will provide relief for the local  
17                  districts.

18                  ASSEMBLYMAN HEVESI: Which is great.  
19                  I would just recommend that those units don't  
20                  go to New York City. They're duplicative.  
21                  They have a robust shelter system; I know  
22                  it's been part of a public debate, but it's  
23                  robust. So if you have their system and add,  
24                  you know, several hundred beds on top of that

1 from the state, redundancies, duplicative --  
2 it just doesn't make sense to me.

3 So my recommendation is to take those  
4 shelter beds, which we greatly appreciate  
5 that you're putting online, and look to the  
6 rest of state. Again, the phrase "rest of  
7 state" -- so I apologize.

8 Then can you do me a favor and talk  
9 through the shelter inspections piece of the  
10 budget?

11 EX. DEP. COMMISSIONER DEVINE:

12 Absolutely. So as far as shelter  
13 inspections, I think the Governor made it  
14 very clear in the State of the State that the  
15 conditions that we are currently experiencing  
16 within the shelters, we need to do something  
17 about. It's a local district's  
18 responsibility to ensure that the shelters  
19 are being maintained in a safe and clean and  
20 well-maintained manner.

21 And we did a blitz of shelters, an  
22 inspection blitz, last year, around May of  
23 2015. And what that blitz told us was that  
24 the conditions were not up to par and that we

1           need to really launch a statewide effort to  
2           look at every single shelter that's out  
3           there.

4                        So our initiative is going to cover  
5           the 900 shelters that are across the state,  
6           approximately 700 of which are in New York  
7           City. And as you do know, we will be  
8           collaborating with the comptrollers in order  
9           to conduct those --

10                      ASSEMBLYMAN HEVESI: Okay. And with  
11           the administration as well, as a  
12           collaborative effort, I'm assuming and  
13           hoping, because I know there's been some  
14           tension on this issue. I'm just hoping, you  
15           know, for this particular piece, inspections  
16           of shelters and they should be done, they  
17           should be robust and there should be rapid  
18           reaction to it, but a coordinated effort.

19                      But I appreciate that.

20                      EX. DEP. COMMISSIONER DEVINE: Thank  
21           you.

22                      ASSEMBLYMAN HEVESI: Two other  
23           questions, and I know my time is getting  
24           limited, but -- your anti-poverty initiative,

1           \$25 million for upstate, \$20 million capital.  
2           Look, we're looking to accept it because any  
3           bit we get to help deal with poverty is  
4           helpful. But what are you guys thinking  
5           localities, the 10 you've identified, can do  
6           with that money?

7                     EX. DEP. COMMISSIONER DEVINE: You  
8           know, it's a start. I recognize that poverty  
9           is a large issue. It hasn't happened to  
10          families overnight, and we're not going to be  
11          able to solve it overnight.

12                    However, I'm really excited about the  
13          anti-poverty initiative because it's going to  
14          give seed money to those 10 communities who  
15          have had high-poverty concentrations in their  
16          areas. And so with the seed money, of course  
17          you know, they'll be able to work with the  
18          not-for-profit community as well as other,  
19          you know, for-profit entities that are  
20          interested in helping to pave a road for  
21          recovery of poverty in these various areas.

22                    ASSEMBLYMAN HEVESI: Okay. And we  
23          appreciate that. And we will be, in the  
24          Assembly, going forward with a pretty robust

1 package related to anti-poverty and public  
2 assistance and how the system is actually  
3 working at this time. So I'd love to have  
4 conversations with you on that, and maybe  
5 those two can be joined.

6 One last question. And Senator,  
7 forgive me, I know that I am running out of  
8 time. But when it relates to HIV funding,  
9 it's my understanding that the City of  
10 New York included \$26 million in their budget  
11 for HASA, to expand HASA. And I was just  
12 wondering if there's going to be a state  
13 match to that money.

14 EX. DEP. COMMISSIONER DEVINE: I  
15 believe there is a state portion to that  
16 funding, but I'm not entirely sure. So let  
17 me get back to you with, you know, what  
18 our --

19 ASSEMBLYMAN HEVESI: And just --  
20 sorry. Thank you. I appreciate that. One  
21 last follow-up on that is there's also  
22 several thousand individuals with HIV who  
23 live upstate, and so I would look to have  
24 conversations with you offline about dealing



1 with that population in a similar manner to  
2 HASA.

3 But that's it for me. Just let me end  
4 with this. Thank you to you, and thank you  
5 to the Governor. He did an outstanding job  
6 with his social services budget this year,  
7 and it's greatly appreciated. Thank you.

8 EX. DEP. COMMISSIONER DEVINE: Thank  
9 you.

10 CHAIRWOMAN YOUNG: Thank you,  
11 Assemblyman.

12 I do have some questions, and one of  
13 them is that although the Executive Budget  
14 assumes continued declines in overall public  
15 assistance caseload through fiscal year 2017,  
16 the budget proposed has a \$40 million  
17 increase in appropriation authority for the  
18 Safety Net Assistance Program, an increase of  
19 9 percent.

20 To what can this increase be  
21 attributed?

22 EX. DEP. COMMISSIONER DEVINE: I think  
23 it's similar to what we discussed just a few  
24 minutes ago, which is the projection of where

1 the caseload -- what the caseload's needs are  
2 going to be for this coming year. At any  
3 given month the caseload can go up or down.  
4 And based on the solid projections that we  
5 have in hand, and that has been executed by  
6 the Division of the Budget, we believe that  
7 those funds are necessary to support those  
8 programs and those clients.

9 CHAIRWOMAN YOUNG: So thank you for  
10 that. But then what you're saying is you see  
11 the trend going up, actually. So what steps  
12 is the agency taking -- you know, what steps  
13 are being taken by the agency to address the  
14 trend?

15 EX. DEP. COMMISSIONER DEVINE: Mm-hmm.  
16 As you know, the agency operates numerous  
17 work support programs as well as work  
18 training programs, and are to help people get  
19 back into the work environment in order to  
20 reduce the caseloads. And we work closely  
21 with our not-for-profit providers as well as  
22 the local districts on some of those  
23 programs. So the more that we can focus on  
24 work and participation and finding people

1 work activities, I think the better off we  
2 are in the State of New York. So I think  
3 it's all about getting people back to work.

4 CHAIRWOMAN YOUNG: I'm very familiar  
5 with the work participation groups, and I  
6 know Assemblyman Goodell has done a lot of  
7 work in this area.

8 As you look around the counties,  
9 however, there are counties across the state  
10 that have very low work participation rates.  
11 And what is the agency doing to assist those  
12 counties to get those numbers up?

13 EX. DEP. COMMISSIONER DEVINE: The  
14 agency works closely with all of the  
15 districts. And so I'm not sure exactly what  
16 district you're talking about. But if we  
17 can, you know, look at it offline and talk  
18 about maybe some of the initiatives in an  
19 individual county -- and if you have a  
20 concern about a specific individual county,  
21 we should look at it and we can talk about  
22 what programs we have right now and what we  
23 may be able to do additionally to bring them  
24 up.

1                   CHAIRWOMAN YOUNG: That would be  
2                   great. I know that Cattaraugus County, for  
3                   example, which I represent, has done an  
4                   excellent job in the work participation  
5                   program. So if there are best practices,  
6                   maybe we can spread those across the state,  
7                   with your help.

8                   EX. DEP. COMMISSIONER DEVINE:  
9                   Absolutely.

10                  CHAIRWOMAN YOUNG: I wanted to ask  
11                  about the fair hearing chargebacks. So in  
12                  the fiscal year 2015 enacted budget, there  
13                  was included a performance improvement  
14                  initiative to encourage local service  
15                  districts with high percentages of the  
16                  statewide total of fair hearings to improve  
17                  their administrative fair hearing practices.

18                  Have any local social service  
19                  districts had penalties assessed against them  
20                  in accordance with this initiative? And if  
21                  so, which ones?

22                  EX. DEP. COMMISSIONER DEVINE: No  
23                  local services districts have received any  
24                  penalties or chargebacks as a result of this

1 particular legislation. In fact, we have  
2 seen a decline in the number of unscheduled  
3 hearings continually because of the agencies  
4 working with the local districts. We've  
5 instituted several improvements. We've done  
6 the Lean Process, in collaboration with  
7 New York City and HRA, in order to come up  
8 with improvements, and I think it's been  
9 wildly successful. And I don't think the  
10 chargeback at this point is needed.

11 CHAIRWOMAN YOUNG: So I'm glad to hear  
12 that there have been improvements. That's  
13 great news. And I was wondering, though,  
14 because this initiative actually is set to  
15 expire on March 31st of 2016, so in very  
16 short order. And obviously there were  
17 underlying issues that prompted this whole  
18 effort to begin with.

19 What are your thoughts on what happens  
20 after March 31st of this year? Do you see  
21 that there could be a return to some of the  
22 issues that previously existed? And how will  
23 we address that?

24 EX. DEP. COMMISSIONER DEVINE: I hope

1 not, and I think not. I think we have worked  
2 collaboratively with the districts over the  
3 last two years in order to revamp and really  
4 tighten the process as tightly as we can.  
5 And I think that's what has led to the  
6 success in the reduction in the backlog of  
7 cases.

8 So no, I hope we won't return here.  
9 And I have confidence that we won't.

10 CHAIRWOMAN YOUNG: Thank you.

11 I salute the Governor for his  
12 attention to the homelessness problem. And  
13 as we've seen in New York City, there's an  
14 exploding issue with increased numbers that  
15 are so significant. And as Assemblyman  
16 Hevesi pointed out, however, there is a  
17 homeless problem upstate.

18 So you touched on the 6,000 new units  
19 and the fact -- and I appreciate,  
20 Commissioner Rubin, that you're here today  
21 too -- you touched on the 1,000 new units, I  
22 believe, of supportive housing that are  
23 available out there. One of the questions I  
24 had, however, is that there are these

1           thousand units but the agency's budget in  
2           this area is essentially flat.

3                        So will your agency have any  
4           involvement in carrying out this proposal?  
5           And is there any additional information that  
6           you can provide? Because obviously there's a  
7           deep concern, there's a need, yet it doesn't  
8           seem like the funding is there through your  
9           agency. So how will that work?

10                      EX. DEP. COMMISSIONER DEVINE: I think  
11           the funding mechanism for those shelter beds  
12           would be the same as all of our other shelter  
13           beds. I mean, there is shelter costs, which  
14           are paid through public assistance, and there  
15           are funding formulas and reimbursement rates  
16           that exist within these funding formulas.

17                      And I think that the funding will come  
18           from the existing funds that we use right  
19           now.

20                      CHAIRWOMAN YOUNG: Okay, but we  
21           anticipate, however, that there's probably  
22           going to be an increase just because of the  
23           increased population. So I just want to  
24           maybe have further discussions about that

1 issue.

2 EX. DEP. COMMISSIONER DEVINE: Okay.

3 Will do.

4 CHAIRWOMAN YOUNG: Also brought up  
5 previously was the Empire State poverty  
6 reduction initiative, and I wanted to ask  
7 about that, because the City of Jamestown,  
8 which I represent, is one of the 10 cities  
9 selected to be part of the Governor's  
10 \$25 million Empire State Poverty Reduction  
11 Initiative. And as you pointed out, there  
12 are \$500,000 planning grants that will be  
13 distributed to each of these cities, with the  
14 remaining \$20 million to leverage  
15 private-sector and foundation funding for  
16 initiatives designed to reduce poverty and to  
17 also increase social mobility.

18 So your agency is going to be involved  
19 in overseeing this initiative, correct?

20 EX. DEP. COMMISSIONER DEVINE: Yes.

21 CHAIRWOMAN YOUNG: You'll be  
22 monitoring that.

23 EX. DEP. COMMISSIONER DEVINE: Yes.

24 CHAIRWOMAN YOUNG: And do you have any



1 further information about how the grants will  
2 be distributed? And I was wondering, is it  
3 for capital expenses, is it for operating?  
4 And you mentioned that it could be working  
5 with not-for-profits, for-profits. But it  
6 just seems like it's a little bit undefined  
7 right now. So can you give some more  
8 structure and definition to what this  
9 actually will mean?

10 EX. DEP. COMMISSIONER DEVINE: I think  
11 the intent here is to make it flexible. I  
12 think each one of these communities that have  
13 been selected have their own unique poverty  
14 issues. And so the \$20 million has been set  
15 aside; I think it can be used for capital  
16 construction as well as for implementation of  
17 new programs that could help resolve some of  
18 those local issues.

19 And so I think the flexibility with  
20 regards to the \$20 million is I think what's  
21 going to help these communities in order to  
22 address their needs.

23 CHAIRWOMAN YOUNG: What metrics will  
24 you use to measure success of the program?

1           So, you know, the ultimate goal, I think,  
2           from what you said, is just this broad vision  
3           of reducing poverty, which we all support,  
4           obviously, and we need to do something about  
5           it.

6                         But how will you measure the success  
7           of the program?

8                         EX. DEP. COMMISSIONER DEVINE: I think  
9           that's going to be part of the planning  
10          process. As these communities take their  
11          \$500,000 and start to implement and launch  
12          their planning efforts, I think that that  
13          needs to be an important component of what  
14          they're thinking about as they are developing  
15          those plans. I think those plans will be  
16          their roadmap to success in those areas. And  
17          so measuring the success becomes important as  
18          we look to expand that, possibly, in future  
19          years or other communities are looking to  
20          mimic what has been done successfully in  
21          these, you know, cities that have been  
22          selected.

23                         CHAIRWOMAN YOUNG: So there are  
24          several agencies that already exist in

1 Chautauqua County that deal with poverty  
2 issues. So, for example, Chautauqua  
3 Opportunities, Inc. You know, and it's  
4 everything from that agency to a lot of  
5 United Way agencies to Salvation Army,  
6 whatever. Is part of that mobilizing those  
7 organizations? They do a good job already of  
8 working together. But how will you tap into  
9 all of that experience and knowledge that  
10 exists, currently, in those agencies?

11 EX. DEP. COMMISSIONER DEVINE: I think  
12 the Rochester Anti-Poverty Task Force is a  
13 good example, and I think this is modeled  
14 after that. I think the expectation is fully  
15 that you need a wide array, you need to call  
16 in and have those community-based  
17 organizations, as well as United Way and  
18 others, who have been successful in helping  
19 some of the communities think this through.

20 So absolutely, I think it's a part of  
21 the recipe for how those planning efforts are  
22 supposed to occur.

23 CHAIRWOMAN YOUNG: Okay. Well, thank  
24 you.

1 Assembly?

2 CHAIRMAN FARRELL: Next, Assemblyman  
3 Goodell.

4 ASSEMBLYMAN GOODELL: Thank you very  
5 much for being here today.

6 As you know, the federal government  
7 has changed the SNAP program and reinstated a  
8 work requirement for able-bodied individuals  
9 who are receiving SNAP. While I appreciate  
10 the Governor's initiative to increase SNAP  
11 eligibility from 130 to 150 percent of  
12 federal poverty, that's a meaningless gesture  
13 unless the individuals who are in that  
14 program can meet qualifying work experience  
15 requirements.

16 EX. DEP. COMMISSIONER DEVINE: Mm-hmm.

17 ASSEMBLYMAN GOODELL: Does your budget  
18 include any funding or other initiatives to  
19 help individuals who are able-bodied  
20 receiving SNAP benefits meet that work  
21 experience requirement?

22 EX. DEP. COMMISSIONER DEVINE: So I  
23 understand that the ABAWD requirement -- that  
24 is a federally mandated requirement -- is

1           currently upon us right now. We are, at this  
2           point and stage, working very closely with  
3           the districts to ensure that they have what  
4           they need.

5                        As you know, SNAP determinations are  
6           made on an individual basis, and so as  
7           individuals come in, the counties will be  
8           working very closely with them to ensure that  
9           they can get back into compliance with their  
10          work requirements. There's a number of  
11          different tools that the counties have that  
12          they can use in order to make this happen.

13                       ASSEMBLYMAN GOODELL: As Senator Young  
14          mentioned, you know, the existing work  
15          participation rates vary amongst counties.  
16          Statewide, we're not meeting what was the  
17          federal target of 50 percent; I think we're  
18          around the 30 percent range. This  
19          requirement is on top of existing ones.

20                       So my question again is, is there any  
21          additional funding in this budget to assist  
22          local social services districts meeting the  
23          increased work participation and obligations  
24          that are a result of the SNAP amendments? Is

1           there any change in this budget to address  
2           that?

3                       EX. DEP. COMMISSIONER DEVINE:  There  
4           isn't an increase in funding for the work  
5           participation programs, but they still exist.  
6           And I think to the greatest extent that the  
7           counties can continue those efforts and, you  
8           know, target those efforts to the SNAP  
9           participants, I think, you know, they will  
10          have a greater success of being able to  
11          comply.  So there's new funding.

12                      ASSEMBLYMAN GOODELL:  In looking at  
13          some of your programs, I noted that all the  
14          funding, 100 percent of the funding for the  
15          Welfare to Careers program, the Advanced  
16          Technology Training program, Career Pathways  
17          program, the Wage Subsidy program, Wheels for  
18          Work program, all those funding opportunities  
19          were eliminated in this budget.

20                      With the greater employment  
21          obligation, shouldn't we be increasing  
22          funding for those types of programs rather  
23          than eliminating funding?

24                      EX. DEP. COMMISSIONER DEVINE:

1           Absolutely. I understand your question. And  
2           so I think we all know that the Executive  
3           Budget is constructed in a way that it covers  
4           our core programs, and then the additional  
5           initiatives are negotiated through the  
6           process. And so, you know, as we've said and  
7           we've talked about in the past, if those  
8           funding programs are enacted, we will happily  
9           administer them.

10                   ASSEMBLYMAN GOODELL: A very  
11           diplomatic way of encouraging us to restore  
12           funding, and I appreciate that.

13                   Looking at childcare, I appreciate the  
14           Governor has increased the childcare  
15           allotment by \$100,000 on the childcare  
16           subsidies. But at the same time, he's cut  
17           \$5.7 million from the childcare demonstration  
18           projects, eliminated childcare subsidies for  
19           SUNY and for CUNY. So it looks like we're  
20           going backwards on childcare by about  
21           \$6 million. Is that your understanding of  
22           the budget as well?

23                   EX. DEP. COMMISSIONER DEVINE: You  
24           know what, I think that question was asked

1 earlier, and I really need to check on the  
2 components, the various components of the  
3 program to see what was eliminated and what  
4 is still there. So I really need to  
5 double-check on that.

6 ASSEMBLYMAN GOODELL: Okay. And I  
7 look forward to your response.

8 EX. DEP. COMMISSIONER DEVINE: Okay.

9 ASSEMBLYMAN GOODELL: One of the  
10 greatest frustrations I have is that, one,  
11 we're encouraging people to leave welfare and  
12 become self-sufficient, with a higher  
13 lifestyle and a better lifestyle and whatnot;  
14 they run into financial barriers. You know,  
15 they reach 130 percent, they lose their food  
16 stamps. They reach 175 percent, they're  
17 ineligible for HEAP. They go over  
18 138 percent, they're ineligible for Medicaid.  
19 They get a subsidy up to 200 percent, and  
20 then they're on their own.

21 Every time they hit a financial  
22 barrier like that, they lose money,  
23 out-of-pocket benefits, net, when they take a  
24 raise or when they accept additional



1 employment. What are we doing in the state  
2 to make it possible, more feasible, for  
3 people to actually be successful and move  
4 ahead?

5 EX. DEP. COMMISSIONER DEVINE: Mm-hmm.  
6 Mm-hmm. I recognize the challenge. However,  
7 the agency is doing a lot in this area.

8 Public assistance, as you know, is  
9 meant to be temporary in nature. However,  
10 when a family does reach the threshold or an  
11 individual does reach the threshold and they  
12 become ineligible for assistance, there are  
13 several work supports that the agency has in  
14 place in order to help transition them off of  
15 public assistance and into self-sufficiency.  
16 And one of those is, you know, being eligible  
17 for childcare for up to a year after you are  
18 off of public assistance.

19 I think the other sort of programs  
20 that we have, and we've talked about, is the  
21 SNAP program. There are also programs to  
22 maintain a person's eligibility for health  
23 insurance as well as energy assistance, as  
24 well as numerous tax credits that are

1 available for low-income families. And I  
2 think when you couple all of those together,  
3 it provides a nice safety net and nice  
4 assistance to help somebody transition off of  
5 public assistance.

6 ASSEMBLYMAN GOODELL: Thank you. I  
7 will advise you that I did couple them all  
8 together and create a graph that shows the  
9 impact on employment versus loss of benefits.  
10 And shockingly, in many situations, you are  
11 much better off in New York State by  
12 declining a raise. And I'll be happy to  
13 share that with you.

14 And thank you again for your comments.

15 EX. DEP. COMMISSIONER DEVINE: Okay.  
16 Thank you.

17 SENATOR KRUEGER: Thank you.

18 Hi, I'm going to take the next set of  
19 questions.

20 Just quickly on the poverty  
21 initiative, so Rochester already got, I  
22 think, \$550,000 last year as they were, I  
23 guess, the pilot for this idea. So what have  
24 they proposed -- what have they come in

1 recommending for themselves? And do they get  
2 in line with the other nine locations? How  
3 does that work? I mean, they were a year  
4 ahead of the rest of us, so to speak. So  
5 what happens for Rochester now, and what are  
6 they asking for?

7 EX. DEP. COMMISSIONER DEVINE: I do  
8 not know all of the specifics of the  
9 Rochester proposal. However, I do understand  
10 that the task force has done a lot of work to  
11 identify what their needs are and where  
12 they're going. I think that they are going  
13 to need additional funding. I do not know  
14 what the plan is for them at this moment  
15 going forward, but I do know that they'll  
16 need to continue their efforts.

17 SENATOR KRUEGER: And the \$20 million  
18 that the 10 locations will be competing for,  
19 that's capital money, am I reading the budget  
20 correctly?

21 EX. DEP. COMMISSIONER DEVINE: It's  
22 capital money, yes.

23 SENATOR KRUEGER: So you're giving  
24 planning money and then for the communities

1 to come back with saying what they would do  
2 with capital money to address their poverty  
3 concerns.

4 EX. DEP. COMMISSIONER DEVINE: Yes.

5 SENATOR KRUEGER: Is the department  
6 giving any suggestions on what you would  
7 build that would help with poverty issues?

8 EX. DEP. COMMISSIONER DEVINE: I think  
9 what the state will do -- not just OTDA, but  
10 other agencies who can lend a hand as well --  
11 we'll definitely be available for the  
12 planning committee and the team, as we were  
13 for the Rochester Anti-Poverty Task Force.  
14 And I think the expertise that we did lend to  
15 them helped to shape a really successful  
16 planning effort and a proposal that they can  
17 now move forward with.

18 So yes, we plan on assisting and  
19 providing guidance where necessary.

20 SENATOR KRUEGER: Like my colleagues,  
21 I would like to point out that overall I  
22 think many of us are very happy with the  
23 social services and OTDA budget this year. I  
24 would like to point out, as you did in your

1 testimony, how pleased I am that the state is  
2 moving forward to expand eligibility for  
3 federal SNAP benefits. I am known to be  
4 somewhat critical of the state's economic  
5 development programs, but for the record,  
6 expanding SNAP to people who are eligible,  
7 it's 100 percent federal money, immediately  
8 gets spent in poor communities in their local  
9 stores, has a multiplier effect in the local  
10 economy for jobs, from the local store to the  
11 trucking to the store, through the  
12 fields where food is grown.

13 So actually, for those of you who  
14 follow regional economic development, you  
15 might point out that expanding food stamps  
16 probably has a better return on it than  
17 almost any other program the state might  
18 invest in, and it's all federal money. So I  
19 applaud the Governor and your department for  
20 moving forward with that change. And  
21 anything more we can do to expand  
22 participation of eligible New Yorkers in food  
23 stamps -- excuse me, SNAP; I'm never going to  
24 learn the new name -- would actually play off

1 the last Assemblymember's point of how do we  
2 support families who are working but still  
3 earning too little or moving in and out of  
4 the workforce. So I do applaud you on that.

5 I don't know whether the next question  
6 is for you or the housing commissioner, but  
7 around funding for homelessness issues. So  
8 last year's budget, we said we were putting  
9 \$74.5 million of JPMorgan bank settlement  
10 money into programs to address homelessness,  
11 and we were moving \$55 million in savings  
12 from the changes in the youth programs, youth  
13 at home programs, we were going to move that  
14 into services for the homeless.

15 My understanding is none of that has  
16 been spent, and we're getting close to the  
17 end of the fiscal year. Can somebody let me  
18 know what happened with those monies?

19 COMMISSIONER RUBIN: Sure. Senator,  
20 thank you for your question.

21 My -- with respect to the \$75 million  
22 of the JPMorgan money, this predates my  
23 arrival at the agency, but it was actually in  
24 our budget and held there, I think, for

1 suballocation to whatever agency -- you know,  
2 subject to the spending plan -- to whatever  
3 agency it ultimately was used for. It's  
4 actually now part of the Governor's  
5 commitment to the new -- to the support  
6 services for the new 6,000 units. So that's  
7 included within I think it's our total of --  
8 I want to say it's almost \$200 million for  
9 this -- I may be wrong, but almost  
10 \$200 million total for support in -- you  
11 know, for contracts supporting those  
12 6,000 units, that we're ultimately going to  
13 roll out the 75 as the first chunk of that.

14 The 55, and this is now truly not in  
15 my -- not only does it predate my getting  
16 here, but I think it might actually not be  
17 part of my agency. But I think that that 55  
18 is in support of -- has gone in support of  
19 some of the rental assistance programs that  
20 are run in New York City. But I might be not  
21 right, otherwise known as wrong, about that.

22 SENATOR KRUEGER: My understanding was  
23 that that was what that money was intended  
24 for. But as of today, I've been advised that

1 we haven't spent that money. So that was my  
2 question to you, and I'd be happy if you  
3 could get back to me on that.

4 COMMISSIONER RUBIN: One of us will  
5 absolutely do that.

6 SENATOR KRUEGER: Okay.

7 And going back to the JPMorgan  
8 settlement money, it does sort of move me  
9 down the road of the overall commitments on  
10 homelessness funds in this year's budget.

11 It worries me, I will tell you, that  
12 we are applying funds that we promised last  
13 year, before we ever had this new commitment,  
14 that we didn't spend them but we'll spend  
15 them towards that longer-term commitment. I  
16 think we all want to see us moving forward.  
17 I don't think there's any debate we want to  
18 see more funds out there both for more  
19 supportive housing units throughout the State  
20 of New York and more affordable housing,  
21 which was another hearing you were at  
22 recently, throughout the State of New York.

23 But it troubles me when we commit in  
24 previous years' budgets to things and then we



1 don't spend them, but then we count them as  
2 going forward as if they weren't previous  
3 commitments. And meanwhile, the numbers of  
4 people desperately waiting in line to get off  
5 the streets just keeps growing.

6 So from my perspective, I don't think  
7 last year's monies ought to count towards  
8 future years' accounting. It was supposed to  
9 get out there in the fiscal year that's  
10 ending. And I'd be surprised if there wasn't  
11 a mechanism where those providers could use  
12 that money now.

13 But on that note, even in going  
14 forward with the Governor's proposals -- and  
15 I guess this will jump back to the OTDA side  
16 of the room, but maybe not -- money for  
17 homeless services is written in a way in the  
18 budget that one is led to believe it's coming  
19 out of the safety net budget and will somehow  
20 be, at least as a formula, simply paid for by  
21 the City of New York.

22 And so I'm a little confused what  
23 we're doing there. Because right now, unlike  
24 the rest of the state, the City of New York

1 is only receiving about 20 percent of its  
2 costs towards its homeless system from the  
3 state. And it appears, although the language  
4 is complicated, it appears that the language  
5 in this year's budget continues or transfers  
6 even a greater amount of the cost for any new  
7 programs for the homeless to the City of  
8 New York.

9 So can you clarify that for me?

10 EX. DEP. COMMISSIONER DEVINE: I think  
11 that the language that's included there was a  
12 part of the projections for the state's  
13 financial plan, and I would defer to the  
14 Division of the Budget. I know that they  
15 have been working with the finance committees  
16 as well as the staff to discuss the funding  
17 mechanisms that support the Executive Budget,  
18 and I think that's included in that.

19 So I would really defer to the  
20 Division of the Budget on it.

21 SENATOR KRUEGER: So might you agree,  
22 based on a previous question from I think one  
23 of my colleagues who had to leave now -- that  
24 your budget appears flat for new expansion of

1 homeless services, and yet there's a  
2 commitment to expanded homeless services --  
3 that the reason your budget is flat is  
4 because Division of Budget has determined  
5 they can pass that cost off to the City of  
6 New York?

7 EX. DEP. COMMISSIONER DEVINE: Well, I  
8 would say that the homeless action plan that  
9 the Governor has put forward is definitely  
10 fully funded. Those funds are in a  
11 miscellaneous appropriation. So we know that  
12 there are funds that are available for this  
13 purpose.

14 And, you know, I think that the  
15 funding streams and the sources behind the  
16 \$20 billion are fully accounted for, and your  
17 staff can again work with the Division of the  
18 Budget to determine where all of those  
19 funding lines are located within the budget.

20 SENATOR KRUEGER: Okay. So I guess  
21 for the record, for whoever from Division of  
22 the Budget is watching this hearing, we would  
23 love to see some kind of chart that shows how  
24 all these programs for homeless New Yorkers

1 and expanded both capital and supportive  
2 service and operating expenses are actually  
3 paid for in the state budget. Because  
4 frankly, I can't figure it out, holding up  
5 your various budgets.

6 EX. DEP. COMMISSIONER DEVINE: We  
7 commit to getting that to you.

8 SENATOR KRUEGER: So I think we really  
9 need a chart that documents that. Because  
10 again, I think that there is a fear that we  
11 are announcing programs and either not  
12 putting the money into them that would be  
13 needed for you to operationalize, or counting  
14 double money that we promised to others in  
15 earlier years and treating it as if it's new  
16 money for new programs when it was already  
17 committed, or simply transferring those costs  
18 down to the local level. Which we might have  
19 ideological disagreement on one way or the  
20 other, but we certainly want to know whether  
21 that's the story or not.

22 EX. DEP. COMMISSIONER DEVINE: We'll  
23 give you some visibility into that,  
24 definitely.

1                   SENATOR KRUEGER: Thank you very much.  
2                   Assembly?

3                   CHAIRMAN FARRELL: Yes. Assemblywoman  
4                   Lupardo.

5                   ASSEMBLYWOMAN LUPARDO: Yes, thank  
6                   you. Thank you.

7                   Thank you for being here.

8                   I just have a few questions on a  
9                   variety of topics. The first has to do with  
10                  the Governor's Executive Order 151. In your  
11                  testimony you said that you were helping each  
12                  county comply with that order. Can you tell  
13                  me how exactly you're going about doing that?  
14                  I just -- I'll tell you why I'm asking the  
15                  question. I just received a few minutes ago  
16                  a copy of an application my county,  
17                  apparently, has submitted, and I was unaware  
18                  that there would be monies appropriated.  
19                  So I'm curious as to how much you have  
20                  appropriated and how you're planning on  
21                  distributing it.

22                  EX. DEP. COMMISSIONER DEVINE: So the  
23                  agency has done a lot of outreach. When the  
24                  executive order was enacted and released, we

1 immediately arranged calls, a statewide  
2 conference call with all 58 districts across  
3 the state. The commissioners all  
4 participated in that call. And we took a  
5 couple of hours to go through with them and  
6 talk about the EO 151, what it meant, how  
7 they could execute it.

8           And, you know, we also provided them  
9 with additional information in order to give  
10 them a good framework for processing requests  
11 to us for technical assistance as well as  
12 funding. So they did receive the EO 151 plan  
13 document. We asked every county to fill it  
14 out. Whether they were applying for  
15 technical assistance or resources was  
16 something that we asked them to do in all  
17 cases so that we would have good knowledge of  
18 what their executive order practices and  
19 policies are within their local communities.

20           So each one of the districts have been  
21 working on submitting those plans. We've  
22 received a number of them, probably 28 to 30  
23 of them we've received from various counties  
24 across the state, and we are currently

1 working to evaluate those initiatives. And  
2 any costs that are over and above what the  
3 county would have been spending to shelter  
4 individuals, we are committing to helping  
5 them fund that.

6 And so, again, we're working with the  
7 counties and there are very many counties who  
8 are doing a great job with execution of the  
9 EO 151.

10 ASSEMBLYWOMAN LUPARDO: So you're  
11 analyzing this county by county, depending on  
12 their individual needs. There isn't some  
13 distribution for certain parts of the state  
14 over others, it's all being done on a  
15 case-by-case basis?

16 EX. DEP. COMMISSIONER DEVINE:  
17 Absolutely.

18 ASSEMBLYWOMAN LUPARDO: Okay.

19 A question on the antipoverty  
20 initiative. Binghamton is one of the 10  
21 cities that has been designated. We also  
22 were one of the initial pilot programs from  
23 last year. Do you know how the cities were  
24 chosen, the 10 cities?

1                   EX. DEP. COMMISSIONER DEVINE: I  
2 believe the cities were chosen based on the  
3 high concentration of poverty within the  
4 various areas.

5                   ASSEMBLYWOMAN LUPARDO: I think one of  
6 the reasons why a lot of my colleagues are  
7 asking you about the capital component of  
8 that -- you know, we're sort of scratching  
9 our heads a little bit. I think it's fair to  
10 say that many of us think that we have in  
11 place some really terrific programs that  
12 would benefit people living in poverty.  
13 Certainly through the entire economic  
14 regional process and all of the hearings and  
15 whatnot that we do over the years, there are  
16 several themes that keep coming up --  
17 childcare, of course, home visiting programs,  
18 transportation.

19                   So that's why you're going to keep  
20 being asked about capital: Do we really need  
21 to build something more? We really would  
22 rather see us support the known programs that  
23 have a history of doing well that are clearly  
24 being underutilized. You know, every single



1           one of us has asked a question about the  
2           potential use or potential benefit of various  
3           programs and how many are not being served.

4                     A question on the childcare. Have you  
5           been following -- I know we've had a  
6           conversation on this, but have you been  
7           following the conversation about the federal  
8           unfunded mandate regarding childcare and the  
9           potential impact it may have on your agency  
10          and ability to serve children and provide the  
11          number of slots that we've become accustomed  
12          to but we're also hoping to increase as we go  
13          forward?

14                    EX. DEP. COMMISSIONER DEVINE: We are  
15          working with our sister agency, OCFS -- of  
16          course you know, who was just here -- who has  
17          taken the lead on that effort. And so we are  
18          aware of the challenges in implementation of  
19          the federal changes.

20                    ASSEMBLYWOMAN LUPARDO: And you are  
21          part of the conversation and are also aware  
22          that our estimates are well over \$90 million,  
23          probably twice that much?

24                    EX. DEP. COMMISSIONER DEVINE: Limited

1 visibility into it, but I am aware.

2 ASSEMBLYWOMAN LUPARDO: Okay. All  
3 right. And just one last comment.

4 When you've been given a number of  
5 questions about the cuts to its facilitated  
6 enrollment -- SUNY, CUNY childcare and other  
7 impacts -- these are typically legislative  
8 adds that come out each year and get back  
9 each year. I mean, ultimately I think many  
10 of us would like to see a system that just  
11 makes sense that we don't have to keep, in a  
12 sense, playing games with this money. This  
13 is just important, it should be a basic  
14 component of good government, good public  
15 policy. So ultimately we'd love to have a  
16 conversation about developing a childcare  
17 system that works on all levels that includes  
18 all of these components.

19 Thank you for being here.

20 EX. DEP. COMMISSIONER DEVINE:

21 Absolutely.

22 CHAIRWOMAN YOUNG: Thank you.

23 Senator Squadron.

24 SENATOR SQUADRON: Thank you very

1 much.

2 Thank you for being here.

3 Just briefly, I note that in this  
4 proposal -- and I know that it's administered  
5 by the Department of Health but comes out of  
6 the OTDA budget -- the Nurse-Family  
7 Partnership is proposed at a million dollars  
8 less than it was last year. Is that cut  
9 reflective of a feeling on the OTDA side that  
10 that's not an effective program?

11 EX. DEP. COMMISSIONER DEVINE: Say the  
12 last part of the question?

13 SENATOR SQUADRON: Is that reflective  
14 of a feeling that it is not an effective  
15 program, not worthy of funding, or does that  
16 cut reflect something else?

17 EX. DEP. COMMISSIONER DEVINE: No, we  
18 believe that it's an effective program,  
19 absolutely.

20 SENATOR SQUADRON: Great. And  
21 Settlement House funding as well, I notice,  
22 you know, which helps -- Settlement House is  
23 comprehensive lifelong services -- is cut  
24 \$2.5 million. There's a real push,

1           bipartisan, in both houses, to get it to 3.5.  
2           Is that cut down to zero reflective that  
3           there's a belief that that funding is not  
4           well spent or not productive?

5                   EX. DEP. COMMISSIONER DEVINE:  Again,  
6           a great program.  I think there are tough  
7           choices that have to be made in development  
8           of the budget, and so I think that -- you  
9           know, that leaves it to the negotiation.

10                   SENATOR SQUADRON:  Thank you very  
11           much.  There's always a negotiation, isn't  
12           there?

13                   And similarly, Community Service for  
14           the Elderly, Summer Youth Employment and  
15           many, many of the programs we've heard about,  
16           funded through the TANF -- same idea, there's  
17           no belief that those programs aren't worthy,  
18           they were just decisions made in the first  
19           step of a negotiation dance?

20                   EX. DEP. COMMISSIONER DEVINE:  
21           Absolutely.

22                   SENATOR SQUADRON:  Thank you so much.

23                   On homelessness and the funding, I'm  
24           just trying to understand here two things,

1 kind of simply. And I really look forward to  
2 the charts Senator Krueger asked for, and I  
3 really appreciate her providing some clarity  
4 into something where I've had trouble  
5 understanding it myself, for sure.

6 So just if you can answer simply, I'd  
7 really appreciate it. And any of the  
8 commissioners up there. Is this a strategy  
9 that's going to have an impact on  
10 homelessness in the short term, or only in  
11 the long term?

12 EX. DEP. COMMISSIONER DEVINE: I think  
13 it's both. I think there are components that  
14 help in the short term, in that it's  
15 including rental subsidies that help families  
16 right now stay in the homes that they're in,  
17 as well as gain housing. So definitely short  
18 term, but obviously there's a long-term  
19 component to that.

20 SENATOR SQUADRON: And how much are  
21 the rental subsidies?

22 EX. DEP. COMMISSIONER DEVINE: How  
23 much?

24 SENATOR SQUADRON: The rental

1 subsidies, what's the number?

2 EX. DEP. COMMISSIONER DEVINE: It's  
3 approximately \$200 million in this year. And  
4 that's a huge increase over where we were  
5 back in 2012, for instance, which was just  
6 around \$100 million.

7 SENATOR SQUADRON: And compared to  
8 2011?

9 EX. DEP. COMMISSIONER DEVINE: I don't  
10 know what the comparison is there.

11 SENATOR SQUADRON: The number you're  
12 using is post the Advantage Housing Program  
13 ceasing to exist, right, for rental  
14 subsidies?

15 EX. DEP. COMMISSIONER DEVINE: Yes.  
16 It's before my tenure, but I am familiar with  
17 it.

18 SENATOR SQUADRON: So it doesn't take  
19 into account that cut.

20 EX. DEP. COMMISSIONER DEVINE: I think  
21 it does. I think Advantage went away;  
22 however, Advantage, again, was a rental  
23 subsidy program. And since it's gone away, I  
24 think the state has more than made a solid

1           commitment to rental subsidies. And so it's  
2           funded at \$200 million, projected at  
3           \$200 million for 2016-2017, which more than  
4           replaces Advantage.

5                     SENATOR SQUADRON: And how much of  
6           that will be available in the City of New  
7           York, the 200?

8                     EX. DEP. COMMISSIONER DEVINE: I don't  
9           have the breakdown, but by and large, I  
10          think -- Commissioner Rubin said based on  
11          need. A large portion of that, of course,  
12          would be in New York City.

13                    SENATOR SQUADRON: Great. And do we  
14          know how many units that's going to help  
15          fund?

16                    EX. DEP. COMMISSIONER DEVINE: I don't  
17          have that in front of me, but it's easy  
18          enough to get to you.

19                    SENATOR SQUADRON: But we don't know  
20          how many.

21                    EX. DEP. COMMISSIONER DEVINE: Not off  
22          the top of my head, I'm sorry.

23                    SENATOR SQUADRON: And in terms of the  
24          rental subsidy program, the shelter beds, the

1 emergency shelter beds, and the supportive  
2 housing, just to be very, very clear --  
3 Senator Krueger was talking about a  
4 formula -- at the end of the day, is that new  
5 money for localities, or does that replace  
6 any other funding that localities already get  
7 in any program at all?

8 COMMISSIONER RUBIN: I can speak most  
9 clearly, Senator, to the capital side of it,  
10 which is by far the largest amount of money.  
11 So the 6,000 supportive beds, the 6,000, just  
12 for the next five years, is about  
13 \$2.5 billion of new capital funding. That is  
14 entirely new money that has never been  
15 appropriated before.

16 SENATOR SQUADRON: Great. Thank you.  
17 That's such a clear answer. I really  
18 appreciate it --

19 COMMISSIONER RUBIN: We strive for  
20 clarity.

21 SENATOR SQUADRON: And it's great  
22 news.

23 On the other two, on the rental  
24 subsidies and the emergency beds, can I have



1 an equally clear answer one way or the other?

2 EX. DEP. COMMISSIONER DEVINE: Yes.

3 The resources are new for those.

4 SENATOR SQUADRON: Are new, and in no  
5 way replace any other funding stream in any  
6 program at all?

7 EX. DEP. COMMISSIONER DEVINE: Well,  
8 the rental subsidies are a continuation of  
9 programs that have been in place and are  
10 receiving increases going forward, so ...

11 SENATOR SQUADRON: Right. But for  
12 example, they would not be offset in a  
13 reduction in public assistance dollars or --

14 EX. DEP. COMMISSIONER DEVINE:  
15 Correct.

16 SENATOR SQUADRON: -- or any other  
17 fund or -- the Flexible Fund for Family  
18 Services or any other fund at all?

19 EX. DEP. COMMISSIONER DEVINE:  
20 Correct.

21 SENATOR SQUADRON: Great. So that's  
22 new money. And just so I understand the  
23 amount of money it is -- and I know my time  
24 is up -- it's \$100 million in new money for

1 rental subsidies eligible for localities  
2 across the state. And how much for the  
3 emergency shelter beds?

4 EX. DEP. COMMISSIONER DEVINE: Well,  
5 that will be determined once we find the  
6 locations and determine, you know, what those  
7 costs will be. So undetermined.

8 SENATOR SQUADRON: But the cash is  
9 sitting there, it will go somewhere and it  
10 won't get offset against anything else?

11 EX. DEP. COMMISSIONER DEVINE: Yes.

12 SENATOR SQUADRON: That's great.

13 Thank you for the clarity.

14 CHAIRWOMAN YOUNG: Thank you, Senator.

15 CHAIRMAN FARRELL: Thank you.

16 CHAIRWOMAN YOUNG: Senator Savino.

17 SENATOR SAVINO: Thank you, Senator  
18 Young.

19 I want to go back to the homeless  
20 issue and the new policy. Not to discuss the  
21 housing issue -- we discussed that  
22 extensively last week. But I'm curious as to  
23 who's going to do the -- so who's going to be  
24 in charge of this new joint effort of

1 inspecting shelters? Is that going to be the  
2 state, will that be OTDA?

3 EX. DEP. COMMISSIONER DEVINE: Well,  
4 the Office of Temporary and Disability  
5 Assistance is leading the effort. But it is  
6 a collaborative effort with the comptrollers.  
7 And so they will be making their selections  
8 of shelters based on information that we  
9 share with them.

10 So once we complete our inspections,  
11 we will be sharing it with them and they will  
12 be determining which shelters they would like  
13 to do their own inspections on.

14 SENATOR SAVINO: As you know, the  
15 majority of the shelters are in the City of  
16 New York. I think earlier you said it's 700  
17 of the 900 around the state. Those shelters,  
18 does that also include the family hotel  
19 programs, or is that just shelters  
20 themselves?

21 EX. DEP. COMMISSIONER DEVINE: It's  
22 going to include shelters themselves and a  
23 portion of the hotels and motels will also be  
24 visited.

1                   SENATOR SAVINO: So assuming the state  
2                   inspects these shelters and they find the  
3                   conditions are as bad as some of the homeless  
4                   have claimed them to be, are you going to  
5                   then take action and order them closed, or  
6                   some corrective action? Ultimately the state  
7                   does not have a contract with those shelters,  
8                   it's the City of New York. So who's going to  
9                   demand the action, the cleanup, whatever the  
10                  case may be?

11                  EX. DEP. COMMISSIONER DEVINE: It's  
12                  the state's responsibility in order to  
13                  oversee the districts in their provision of  
14                  these services. So ultimately the districts  
15                  are responsible for making sure that the  
16                  shelters are in a well-maintained condition.

17                  And so the state will be working  
18                  directly with the district and providing them  
19                  with instructions as far as the conditions  
20                  that we find. For instance, we have done  
21                  shelter inspections over the last couple of  
22                  weeks, we have found deplorable conditions,  
23                  and we have directed the social services  
24                  districts to move those clients into better,

1 more well maintained housing. So.

2 SENATOR SAVINO: Where would they put  
3 them, though? I mean, I'm assuming you don't  
4 have empty shelters somewhere to transfer  
5 them to.

6 I'm wondering, are we going to be  
7 shifting people to motels and hotels? Which  
8 is something that was done, you know,  
9 20 years ago.

10 EX. DEP. COMMISSIONER DEVINE: There  
11 is some fluidity to the way that the shelter  
12 intake process works, and so they have been  
13 successfully finding other locations for  
14 these clients. To date, there haven't been  
15 too many of those. However, as we continue  
16 our inspection initiative, we expect that  
17 definitely more will be found. And so  
18 therefore at that time I think we will need  
19 to work with New York City on a corrective  
20 action plan and finding out where they can  
21 identify those additional beds.

22 And so I know that that's something  
23 that they are working on and something that  
24 they contemplate needing to happen. But I

1 think our foremost concern is making sure  
2 people are safe and in, you know,  
3 well-maintained locations.

4 SENATOR SAVINO: As it should be.

5 I want to switch to the minimum wage.  
6 We've discussed it extensively with OPWDD,  
7 all of the human service agencies, the effect  
8 that the raise in the minimum wage will have  
9 on your partner social services agencies or  
10 human service agencies and their inability to  
11 absorb it. So I don't need to remind you of  
12 that. And we've said it a million times.  
13 And I'm sure we'll hear from some of them  
14 today.

15 But I'm also concerned somewhat about  
16 those working people out there who are  
17 currently earning the statutory minimum wage  
18 of \$9 an hour. So they're earning \$9 an  
19 hour; if they're working a 40-hour week,  
20 they're earning \$18,720. As a result of  
21 that, you know they're eligible for certain  
22 support services. And it's been mentioned  
23 more than once in the argument to raise the  
24 minimum wage that the state is subsidizing

1 many of these corporations by improving all  
2 sorts of benefits to these low-wage workers.

3 So if we raise the minimum wage to  
4 \$15 an hour for these workers -- which, by  
5 the way, I am totally supportive of. I think  
6 we need to establish a livable wage. But  
7 they are going to then jump from \$18,720 for  
8 working a 40-hour week to \$31,200 working a  
9 40-hour week. Many of these jobs also, you  
10 know, require overtime, so they're going to  
11 go over that. There's a very real  
12 possibility, as you know, that they will lose  
13 all eligibility for assistance, which is  
14 going to force them to do one of two things:  
15 Reduce their work hours because they can't  
16 afford to, you know, lose the benefits, or  
17 they're going to quit.

18 And so how -- what can we do to look  
19 at the eligibility standards for assistance  
20 to stabilize families so that we don't give  
21 with one hand and take with the other?

22 EX. DEP. COMMISSIONER DEVINE: Mm-hmm.  
23 I think -- and I think we discussed this a  
24 little bit earlier, the fact that there are

1 numerous work supports that are in place.  
2 And so a family who finds themselves  
3 ineligible for public assistance can still  
4 maintain child support -- again, childcare  
5 payments for up to a year after. And so that  
6 gives them a long transition time. They can  
7 still be eligible for heat benefits, heating  
8 assistance benefits, as well as tax credits  
9 and other things.

10 And, you know, when you combine all  
11 those things, I think that that is adequate.

12 SENATOR SAVINO: Well, I certainly  
13 hope so. Because as I said, I would hate to  
14 see where on one hand we are giving, we're  
15 lifting people and on the other hand we're  
16 literally pressing them back down again.

17 There's also going to be a  
18 corresponding effect to workers above it.  
19 You know, when you raise the floor, you raise  
20 the ceiling too. You know, and I'd just like  
21 to point out, just in your agencies alone,  
22 the starting salary for a job opportunity  
23 specialist -- which is your eligibility  
24 specialist workers, the people who determine



1           who's eligible -- in the City of New York is  
2           35,000. And those are people who have to  
3           have a bachelor's degree. And they're making  
4           determinations, but under this, they would  
5           only be earning \$4,000 more than a minimum  
6           wage worker.

7                        So I really think -- I've said this  
8           continuously -- we as a state need to look at  
9           what we're doing to attract people into the  
10          social service field and how we value those  
11          jobs. The idea that we're paying people  
12          minimum wage, in some instances, to take care  
13          of the elderly and provide home care services  
14          and, you know, direct support to the  
15          developmentally disabled is appalling. They  
16          should not be earning minimum wage. We can't  
17          recruit and retain these workers. Which is  
18          critically important for the partner  
19          agencies.

20                       So I think as we move forward with  
21          this discussion we have to take into  
22          consideration the effect of low wages on the  
23          delivery of social services in our state.

24                       Thank you.

1                   COMMISSIONER RUBIN:  Senator, for what  
2                   it's worth, I obviously agree with your  
3                   commitment to that sector.  And, you know, to  
4                   refocus to a different part of the budget, we  
5                   did talk a couple of weeks ago about the  
6                   affordable housing plan.  It is absolutely  
7                   the Governor's commitment to make sure that  
8                   the vast majority of the new units that we  
9                   create or preserve, in New York City as well  
10                  as elsewhere, are targeted to the low, the  
11                  very low, and the extremely low income  
12                  segments of the population.  And it's for  
13                  exactly the reason you mentioned:  You cannot  
14                  have a vibrant, growing city if you're not  
15                  able to provide adequate housing to the  
16                  people that are stuck at those income  
17                  levels -- for whatever reason, whether it's  
18                  because they're down on their luck or because  
19                  they've chosen to enter fields that simply  
20                  don't pay, you know, what other fields pay.  
21                  It's an incredibly important part of the  
22                  workforce of the city.  And so that's -- you  
23                  know, taking it to the other part of the  
24                  budget, that's why the Governor made that

1 comment.

2 SENATOR SAVINO: Thank you.

3 CHAIRWOMAN YOUNG: Thank you.

4 Senator Montgomery. And then we'll  
5 have Senator Kennedy to close.

6 SENATOR MONTGOMERY: Yes, thank you,  
7 Madam Chair.

8 I think I want to direct my question,  
9 I believe, to Commissioner Rubin in terms of  
10 housing because that's what I -- I know we're  
11 talking about homelessness. And I just want  
12 to emphasize that I'm really so excited and  
13 happy about the emphasis on looking at the  
14 homeless situation and the people who are  
15 sort of stuck there.

16 But you know, I think we have this  
17 huge crisis certainly in my district and my  
18 part of the city. And it occurs to me that  
19 the homelessness is a symptom of another  
20 policy area that we have not really  
21 successful addressed, I should say.  
22 Obviously there is an increasing shortage of  
23 affordable housing, and there is this  
24 gentrification that is taking place, that has

1           taken place, and that gentrification, aside  
2           from removing affordable housing and  
3           replacing it with luxury housing,  
4           essentially, market rate housing, it has  
5           increased the affordability of the housing  
6           that has not been gentrified.

7                     And so there is an increased number of  
8           evictions related to the fact that people can  
9           no longer just simply afford to live where  
10          they've lived for the last 20 years or so.  
11          And so we have this homelessness. And it's  
12          the homelessness of families which is the  
13          most critical problem that we have. And so  
14          my -- we've had this -- this is not the first  
15          time that we have experienced this crisis in  
16          homelessness.

17                    But we continue to treat it as if it's  
18          just episodic, right, and that it's going to  
19          go away somehow, and if we just invest in  
20          these shelter beds that we're going to begin  
21          to correct this terrible situation.

22                    But at that time we also begin to  
23          invest much more specifically in the creation  
24          of affordable housing in partnership

1 primarily, I believe, with the not-for-profit  
2 community housing developers and many of the  
3 supportive housing providers. I know about  
4 our city, the city in particular.

5 So my question to you is, where are we  
6 with that process? And is there -- do we  
7 have projects in the pipeline? If so, where  
8 are they? And, you know, how many units are  
9 we talking about within that context? And  
10 what part of your plan includes a specific  
11 targeting of your partnering, once again,  
12 with not-for-profit community housing  
13 developers to develop affordable housing?

14 And I don't mean a few units in a  
15 luxury building where they build a back door  
16 for the poor people to go into, the poor-door  
17 people. Not that. I'm just talking about  
18 housing that is specifically for the purpose  
19 of creating an opportunity for poor people to  
20 live in our city.

21 COMMISSIONER RUBIN: So, Senator,  
22 there's so many issues packed into that  
23 question, we may be here --

24 SENATOR MONTGOMERY: Yes, I realize

1           that. I don't have much time, so I tried to  
2           put everything into the question.

3                    COMMISSIONER RUBIN: No, it's fine.  
4           I'm happy to be able to talk to all of  
5           them -- or some of them.

6                    Let's see. So I certainly couldn't  
7           agree more with your assessment of the  
8           problem, from the symptom, which is the lack  
9           of housing, down all through to the  
10          diagnosis, which is gentrification and  
11          economic conditions and just the grinding  
12          poverty that so many people in New York City  
13          and elsewhere suffer from.

14                   So what are we doing in this budget,  
15          what is the Governor doing in this budget to  
16          address that? First, there's the budget  
17          itself, which is really an unprecedented  
18          five-year fully funded, as my colleague said,  
19          capital commitment to the development of new  
20          affordable housing. And it's -- as we've  
21          talked about before, before you even get to  
22          the special needs, it's \$10 billion of new  
23          funding over five years for 100,000 units,  
24          both new and preserved. So that by itself is

1 a significant contribution to New York City  
2 and outside of New York City's housing stock.

3 You asked about not-for-profits in  
4 terms of the affordability. Again, I  
5 understand exactly why you're asking. And I  
6 think I mentioned before the Governor has  
7 made it clear that his commitment is to  
8 create, as you say, truly affordable housing.  
9 And so we anticipate that about 85 percent of  
10 the units that we create or preserve through  
11 that plan will be affordable at the levels of  
12 low, very low, and extremely low-income  
13 people. Depending on, you know, what that  
14 means in the region where the housing itself  
15 is developed.

16 As far as the nonprofit sector --  
17 which again, I share your commitment to the  
18 nonprofit sector. They are some of our  
19 greatest partners in this work -- we fund  
20 nonprofits, actually, through some of our  
21 grant programs. I had the opportunity just  
22 now to look at the annual report that our NPP  
23 and RPP program puts out to talk about the  
24 good work that they've done in the last year

1 funding a lot of those local development  
2 agencies, some of which I know Senator Young  
3 knows well. Those are in many places,  
4 particularly in the rural areas but also in  
5 the city, some of our greatest partners in  
6 the work of developing and preserving  
7 affordable housing and making homeownership  
8 opportunities available to people of low  
9 income.

10 So -- and obviously we will continue  
11 at higher levels, because that's what's in  
12 the budget, to fund those agencies for the  
13 coming years to take advantage of the  
14 affordable housing plan that the Governor  
15 laid out.

16 And then as far as just more  
17 generally, even for those groups that are not  
18 recipients of our grant funding, many of our  
19 applicants for our funding programs, just by  
20 the nature of the programs themselves are  
21 nonprofits. In fact, most are. They're  
22 usually either paired by themselves or they  
23 are paired with a for-profit developer, and  
24 we do our best to work with them. They are



1           some of the most sophisticated developers  
2           there are, actually, and we work very closely  
3           with them to make sure that they know of our  
4           funding availability well in advance of our  
5           issuance of the RFPs, and then how to take  
6           advantage of those programs.

7                     In fact, you should know we've had a  
8           series of conferences in the last few  
9           months -- not in New York City but in -- I'm  
10          now going to blank on where we've done them,  
11          but we've done three -- Utica, I think  
12          Rochester and perhaps one other. And then  
13          we've got about 10 others coming up over the  
14          next year specifically for the purpose of  
15          bringing our agency staff and other agency  
16          staffs out into the field at the direction of  
17          the Governor to meet with representatives of  
18          local not-for-profits to explain to them  
19          exactly how to take advantage of government  
20          funding, for the reasons that you said.  
21          Because for those agencies that haven't yet  
22          gotten into our pipeline, we need to make  
23          sure that they have the ability to do that,  
24          and that's really critically important work.

1           The one thing I'll say finally, you've  
2           talked at the beginning about gentrification.  
3           It's a serious issue, obviously, particularly  
4           in a place like New York City, where real  
5           estates values continue to go up. But we're  
6           also seeing it in many of the other  
7           outside-of-New-York-City cities that are  
8           experiencing economic growth.

9           I will take this opportunity to talk  
10          about the good work that our Tenant  
11          Protection Unit does, as I did at my budget  
12          hearing. They're not here to take the credit  
13          today as they were two weeks ago, but they do  
14          an enormous amount of good work to protect  
15          against illegal harassment, which often  
16          results in eviction or effective eviction,  
17          where somebody shuts off the heat in the  
18          middle of winter or something like that.

19          We are active participants in a task  
20          force with the Attorney General's office and  
21          with the city HPD to do the same thing. And  
22          it's all in the interest of combating the  
23          dynamic that you just described.

24          So I think, if I've ticked off all the

1 issues, I think I agree with you on  
2 everything. And I'm glad that you raised  
3 those issues.

4 SENATOR MONTGOMERY: Yes, and I just  
5 would like also to know if you have projects  
6 that are in the pipeline that we can sort of  
7 look at that and determine when we might be  
8 able to look forward to some -- your  
9 addressing is this in other than looking at  
10 shelter beds.

11 COMMISSIONER RUBIN: Sure. So we have  
12 a very active pipeline, and I think probably  
13 it would be best to come back to you in  
14 person with our staff or something and talk  
15 about it.

16 SENATOR MONTGOMERY: That would be  
17 very helpful.

18 COMMISSIONER RUBIN: Happy to do it,  
19 of course.

20 SENATOR MONTGOMERY: Thank you.

21 CHAIRWOMAN YOUNG: Thank you, Senator.  
22 Senator Kennedy, to close.

23 SENATOR KENNEDY: Thank you very much.  
24 Deputy Director, I want to touch on

1 the Anti-Poverty Initiative. I'm very  
2 pleased that this is underway, you know,  
3 especially coming out of the district that I  
4 represent, where there's a very high  
5 propensity for poverty in certain areas of  
6 the district.

7 So we have been working collectively  
8 with the community and with various levels of  
9 government to attack poverty at its base  
10 root. So I want to talk about the initiative  
11 and the funding for providing the planning  
12 and implementation for this Anti-Poverty  
13 Initiative.

14 It's at the \$500,000 level. How do  
15 you feel that this implementation can be  
16 realized with that level, \$500,000, when you  
17 look at a city like Buffalo, which, you know,  
18 you were funding at the \$500,000 level when  
19 Rochester was at \$750,000 and is still in the  
20 initial phases of this? Can you just talk a  
21 little bit about that, where that \$500,000  
22 number came from and if that number is  
23 adequate?

24 EX. DEP. COMMISSIONER DEVINE: We

1 believe that the amount is adequate to at  
2 least see the planning and implementation  
3 effort in each one of these communities.  
4 It's a place to start. Might these  
5 communities need more? Possibly. However,  
6 \$500,000 will allow them to bring the  
7 appropriate parties together and to engage in  
8 a really meaningful planning process.

9           And so we are hopeful that that seed  
10 money will provide an avenue for them to  
11 create a roadmap for anti-poverty within  
12 their local community. But I understand  
13 where you're going with that.

14           SENATOR KENNEDY: So the City of  
15 Rochester just -- around its local strategic  
16 plan, they're yet to move past that. And the  
17 rest of the initiative is being modeled off  
18 of that. Now, everything I've heard about  
19 Rochester is very positive, so don't get me  
20 wrong here. But it's slow in evolving into  
21 the implementation phase. And we need to  
22 attack this in a very aggressive nature. And  
23 there's organizations like the United Way  
24 that are on the front lines that are already

1 working in a collaborative fashion with local  
2 governments, with state government, with  
3 various agencies at a local level.

4 Why not allow the United Way to be the  
5 leading partner in this sort of initiative?  
6 And why open the process up now?

7 EX. DEP. COMMISSIONER DEVINE: I think  
8 that community-based organizations, including  
9 United Way, will play an important part in  
10 that planning effort. However, we don't want  
11 to dictate statewide one particular entity in  
12 order to lead that effort. I think that that  
13 is more appropriately grown out of the local  
14 community and what their needs are.

15 But I fully expect that United Way, as  
16 well as other community-based organizations,  
17 will be right there and right there leading  
18 the effort and helping.

19 SENATOR KENNEDY: So there's nothing  
20 precluding the United Way from, say, playing  
21 a lead role in any of these various  
22 initiatives in the various localities.

23 EX. DEP. COMMISSIONER DEVINE:  
24 Correct.

1                   SENATOR KENNEDY: Okay. I want to  
2 talk about the statewide 211 system. That's  
3 a model that can be used as a resource to  
4 combat poverty. It's already in place,  
5 there's no cost to implementing it as a part  
6 of the Anti-Poverty Initiative. However,  
7 there's no state funding for the program.  
8 Last year they received \$1.3 million; there  
9 was a request in this year for \$1.4 million.  
10 And the allocation that came forward was  
11 zero.

12                   Do you believe that this is something  
13 that should be changed? And do you believe  
14 that this is something that can help us with  
15 this Anti-Poverty Initiative?

16                   EX. DEP. COMMISSIONER DEVINE: I have  
17 some knowledge of the 211 system that has  
18 been developed. I also know that some  
19 communities have their own version of the 211  
20 system. However, I do believe it's a really  
21 effective and positive model. The funding  
22 for the 211, I don't know where it has come  
23 from. Not from our agency. So I'm not  
24 really sure what's going to happen to their

1 funding in next year. But it is certainly a  
2 good model that could be considered as  
3 something that would be effective statewide.

4 SENATOR KENNEDY: Okay. But putting  
5 that funding back in place you feel would be  
6 helpful to the Anti-Poverty Initiative  
7 statewide?

8 EX. DEP. COMMISSIONER DEVINE: I  
9 believe that there are certain communities  
10 who would need a 211 system who don't  
11 currently have one. And I think that that  
12 would be very helpful for them. There are  
13 communities who have other 211 systems who  
14 don't need that support and help, so ...

15 SENATOR KENNEDY: Thank you.

16 CHAIRWOMAN YOUNG: Thank you, Senator.

17 CHAIRMAN FARRELL: Thank you.

18 We've been joined by Assemblywoman  
19 Peoples-Stokes to ask a question.

20 ASSEMBLYWOMAN PEOPLES-STOKES: Thank  
21 you very much, Mr. Chairman.

22 And thank the panel for your comments.  
23 I did get the opportunity to hear most of  
24 them in the office this morning, and some of



1           them here. So I appreciate your thoughts  
2           here today.

3                     One of the things that I'm sure you  
4           all know, that the Governor has done a really  
5           great job with highlighting the importance  
6           and the value of minority and women business  
7           enterprises. And so I'm just wondering if  
8           each of you could respectfully speak to the  
9           role that your agency has played in fostering  
10          that business development in terms of vendors  
11          as well as developers.

12                    EX. DEP. COMMISSIONER DEVINE:  
13          Absolutely. I'll take a crack at that first.  
14          I think the Office of Temporary and --

15                    ASSEMBLYWOMAN PEOPLES-STOKES: I'm  
16          sorry, I can't hear you.

17                    EX. DEP. COMMISSIONER DEVINE: I just  
18          said I think I'll take a crack at that first.

19                    ASSEMBLYWOMAN PEOPLES-STOKES: Okay.

20                    EX. DEP. COMMISSIONER DEVINE: The  
21          Office of Temporary and Disability Assistance  
22          has a robust minority- and women-owned  
23          business practice, and we have been able to  
24          achieve participation rates that meet the

1 statewide goals. And so last year we were at  
2 26.5 percent, and this upcoming year we're  
3 expected to exceed the 30 percent goal.

4 And so we have a program in place that  
5 really is robust and reaches out to the  
6 providers and makes sure that there is  
7 participation through lots of outreach, lots  
8 of connections with these local providers.  
9 And so I think we are doing very well in this  
10 area.

11 COMMISSIONER RUBIN: I'm happy to say  
12 the same thing. I realize, you know,  
13 Assemblymember, I'm relatively new to the  
14 agency. Actually last year we were  
15 successful, I believe, in exceeding the  
16 Governor's goal, which was 20 percent at the  
17 time. This year obviously we'll strive to  
18 hit and exceed 30 percent.

19 I should say that -- two things. One,  
20 the new chairman of the board of the Housing  
21 Finance Authority, which oversees much of the  
22 work that our agency does, is Bill Thompson,  
23 who I think was the head of the Governor's  
24 commission on -- task force, exactly, on

1 MWBE. So that obviously we're benefiting  
2 from his expertise.

3 And the other is Sharon Devine, to my  
4 left, spent a number of her years at our  
5 agency and is responsible for whatever  
6 success we've had in past years. So I can't  
7 really take credit for it.

8 ASSEMBLYWOMAN PEOPLES-STOKES: Thank  
9 you. And I will just add that, you know, you  
10 can't measure the value of allowing minority  
11 and women business enterprises to have access  
12 to do business with government. It not only  
13 helps them and their immediate families, but  
14 it actually helps the community as well  
15 because they're able to create the small  
16 businesses that a lot of communities thrive  
17 on.

18 So I applaud your ability to meet  
19 those goals, and I'm almost sure that you're  
20 going to meet the new goals the Governor has  
21 set out. And there's some things that we can  
22 do to be helpful to you to make sure that  
23 happens; we'd be happy to.

24 The only last point I want to make is,

1           you know, while it's good to be a vendor,  
2           sometimes we have to make sure that we get  
3           minority and women opportunities to be  
4           developers as well.

5                     Thank you, Mr. Chairman.

6                     CHAIRMAN FARRELL: Thank you.

7                     Senator?

8                     CHAIRWOMAN YOUNG: Thank you very  
9           much.

10                    That concludes your portion of the  
11           proceedings today. So sincerely, thank you  
12           so much for your testimony. We appreciate  
13           you being here and being on stage for so  
14           long. So it's great to see you.

15                    EX. DEP. COMMISSIONER DEVINE: Thank  
16           you.

17                    COMMISSIONER RUBIN: Nice to see you,  
18           Senator. Thank you.

19                    CHAIRWOMAN YOUNG: Our next speaker,  
20           from the New York State Office for the Aging,  
21           Corinda Crossdale, director.

22                    Welcome.

23                    DIRECTOR CROSSDALE: Thank you.

24                    Good afternoon, Chairpersons Young,

1 Farrell, Cymbrowitz and distinguished members  
2 of the Senate Finance and Assembly Ways and  
3 Means Committees. My name is Corinda  
4 Crossdale, and I am the director of the New  
5 York State Office for the Aging.

6 The New York State Office for the  
7 Aging, established in 1961, is New York's  
8 designated state unit on aging as required by  
9 the federal Older Americans Act. NYSOFA is  
10 the lead agency for promoting, coordinating,  
11 and administering federal, state and local  
12 programs and services for older New Yorkers  
13 age 60 and over and their caregivers.

14 The goals and priorities of the State  
15 Office for the Aging are consistent with the  
16 state's vision for promoting and sustaining  
17 the independence of older New Yorkers,  
18 slowing the growth of Medicaid spending,  
19 reducing preventable hospital readmissions,  
20 and supporting New York's Olmstead  
21 implementation plan.

22 In carrying out the agency's mission,  
23 NYSOFA provides leadership and direction to  
24 an integrated network of 59 county-based Area

1 Agencies on Aging and more than 1,200 public  
2 and private organizations which serve and  
3 help empower older adults and their families.  
4 Governor Cuomo's priority to better  
5 coordinate state agencies work in an effort  
6 to better utilize and leverage existing  
7 resources, reduce duplication, strengthen  
8 service delivery, increase efficiencies and  
9 improve outcomes, has led to stronger working  
10 partnerships among many agencies.

11 In addition to protecting and  
12 preserving core programs we administer, the  
13 Executive Budget over the past two years has  
14 invested an additional \$8 million to increase  
15 access to services statewide. This includes  
16 \$7.5 million to expand the Community Services  
17 for the Elderly Program, which provides  
18 flexible funds to counties to meet locally  
19 determined needs and \$500,000 to support the  
20 modernization of the Long Term Care Ombudsman  
21 Program. LTCOP serves as the advocate and  
22 resource for persons who reside in long-term  
23 care facilities such as nursing homes,  
24 assisted living, and board and care homes.

1           The Executive Budget also supports the  
2           sustainability plan for the enhanced and  
3           expanded New York Connects program under the  
4           state's Balanced Incentive Payment award.  
5           New York Connects is a statewide, locally  
6           based no-wrong-door system that provides  
7           one-stop access to free, objective and  
8           comprehensive information and assistance on  
9           accessing long-term services and supports.

10           NYSOFA receives about \$210 million  
11           annually from the federal Administration for  
12           Community Living and state General Fund  
13           resources. These funds leverage an  
14           additional \$250 million from county match,  
15           voluntary contributions, cost sharing, and  
16           fundraising.

17           The statewide network of service  
18           providers and volunteers that work to support  
19           older adults and their caregivers are able to  
20           be successful because of the public/private  
21           partnerships that have been built as a result  
22           of how the network was originally organized,  
23           and the recognition that partnerships are the  
24           only way to strengthen and expand services.

1           These services are coordinated with other  
2           entities that provide similar services, such  
3           as faith-based organizations, not-for  
4           profits, and other municipal supports.

5           The aging services network provides  
6           the following core services to communities  
7           statewide: Legal services; caregiver support  
8           services, such as support groups, training  
9           and respite; care management and assistance  
10          with everyday tasks such as bathing,  
11          dressing, eating, house cleaning, laundry,  
12          meal preparation, grocery shopping, errands,  
13          and bill paying; social adult day services;  
14          and transportation and other services that  
15          you'll find in your written testimony.

16          Preliminary data has shown that when  
17          compared to last year, the network has  
18          expanded access to many core services.  
19          Service expansion between 6 percent and  
20          41 percent were realized depending on the  
21          particular service. Additionally, NYSOFA's  
22          partnership with the county Offices for the  
23          Aging and sister state agencies to increase  
24          access to services has yielded positive



1 results. And these include our Health  
2 Insurance, Information, Counseling and  
3 Assistance Program. HIICAP was able to  
4 provide savings in the amount of  
5 \$43.6 million to low-income New York Medicare  
6 beneficiaries who were seeking financial  
7 assistance with prescription drugs and other  
8 Medicare costs through enrollment assistance  
9 into the Extra Help and Medicare Savings  
10 Programs. This past year, HIICAP served over  
11 158,000 Medicare beneficiaries in New York  
12 State.

13 Our enhanced and expanded New York  
14 Connects became operational across the state,  
15 including the five boroughs comprising New  
16 York City, as of September 30, 2015. Work is  
17 ongoing to reach full implementation by the  
18 end of 2016.

19 NYSOFA continues to work closely with  
20 DOH and other state partners -- OPWDD, OMH,  
21 OASAS -- as well as the local New York  
22 Connects programs. An RFA to expand and  
23 enhance New York Connects for persons with  
24 physical disabilities will be issued in 2016.

1           Elder abuse/crimes against the  
2           elderly. NYSOFA has partnered with OCFS and  
3           other partners to pilot an enhanced  
4           multidisciplinary team approach in combating  
5           elder abuse and financial exploitation. The  
6           addition of a forensic accountant within the  
7           E-MDTs has proven to be a very successful  
8           model. Training has been initiated with DFS  
9           and OCFS for financial institutions on  
10          financial exploitation.

11           NYSOFA is also working with DCJS to  
12          update the basic course for police officers  
13          in New York State to help law enforcement be  
14          better equipped to identify and assist older  
15          adults who are abused or are victims of other  
16          crimes.

17           The Senior Farmers Market Nutrition  
18          Program. In partnership with the Department  
19          of Agriculture and Markets, county Offices  
20          for the Aging received 25 percent increases  
21          in the number and value of coupon books that  
22          allows low-income, at-risk older adults to  
23          purchase locally grown fresh fruits and  
24          vegetables.

1                   NYSOFA continues to be proactive in  
2                   working to improve service delivery and  
3                   advocacy for older adults by increasing  
4                   partnerships and integrating our work with  
5                   other agencies and entities. I want to thank  
6                   you for your commitment to aging services and  
7                   for your partnership. We look forward to  
8                   continuing to create systems that are  
9                   seamless for the consumer and their families.

10                   And I want to thank you for the  
11                   opportunity to share my comments. I am happy  
12                   to answer any questions you may have.

13                   CHAIRWOMAN YOUNG: Thank you, Director  
14                   Crossdale. We appreciate your testimony.

15                   I'm very pleased to announce that  
16                   we've been joined by the chair of the Senate  
17                   Aging Committee, and that's Senator Sue  
18                   Serino. And I believe that she would like to  
19                   speak.

20                   SENATOR SERINO: Good afternoon. My  
21                   question is regarding the Community Services  
22                   for the Elderly program. I know that we've  
23                   had an additional \$7.5 million for the CSE  
24                   over the last two fiscal years which has been

1 maintained in the Executive Budget. But how  
2 has this funding reduced waiting lists at the  
3 local level?

4 DIRECTOR CROSSDALE: We've seen  
5 increases in services across all of the core  
6 service programs, and that was at between 6  
7 and 41 percent. So it has had an impact on  
8 waiting lists across the entire state in the  
9 aging network.

10 I also wanted to point out, I had  
11 mentioned in my comments that the funding  
12 that we receive and distribute to the  
13 counties through the area Agencies on Aging  
14 also leverage an additional \$250 million in  
15 services.

16 So though an individual might be on a  
17 waiting list with the area Agency on Aging,  
18 it doesn't equate to no services at all.  
19 They would most likely be referred to another  
20 community not-for-profit organization or a  
21 faith-based community organization to  
22 continue to receive services.

23 We continue to track those individuals  
24 through the area Agencies on Aging, but they

1 do receive services in the interim.

2 SENATOR SERINO: Okay. And what are  
3 some of the other unmet needs local Aging  
4 offices are facing?

5 DIRECTOR CROSSDALE: I would say when  
6 we do our needs assessment or when we receive  
7 the needs assessments through the area  
8 Agencies on Aging, some of their top priority  
9 areas are assisting caregivers in making sure  
10 that they have the resources that they need  
11 to continue to provide for their loved ones.  
12 And another top area with the needs  
13 assessment has been with transportation.

14 Our area Agencies on Aging do provide  
15 us with an annual implementation plan on how  
16 they're going to address the identified needs  
17 in their area and what our office can do to  
18 assist with that.

19 SENATOR SERINO: Can I ask another --

20 CHAIRWOMAN YOUNG: Sure, Senator, you  
21 still have at least eight minutes or more, as  
22 chair of Aging. Even more if you need to.

23 SENATOR SERINO: Thank you. With  
24 regard to New York Connects, the recent

1 statewide expansion of the New York Connects  
2 program has been financed through one-time  
3 federal balancing incentive program BIP  
4 funding. Is there funding in the budget to  
5 maintain support for New York Connects upon  
6 the expiration of the BIP funding in October?

7 DIRECTOR CROSSDALE: Absolutely. That  
8 initial investment was for infrastructure  
9 building. And it's not in the language of  
10 this year's budget, but last year's budget  
11 did include the language of an investment of  
12 \$18 million in sustainability funds. That's  
13 under the global Medicaid cap. And we stay  
14 in close contact with the Department of  
15 Health, and that funding is still available  
16 for sustainability.

17 We had an extension through the  
18 federal government this year, so we didn't  
19 need the global cap this year. But it will  
20 be in the language next year.

21 SENATOR SERINO: Then another question  
22 I have is do you anticipate any discrepancies  
23 in the availability of the services to older  
24 adults who are on Medicaid versus older

1 adults who are not receiving Medicaid  
2 support?

3 DIRECTOR CROSSDALE: I think that  
4 there's synergies. We serve all older  
5 adults, regardless of what type of source of  
6 funding of assistance that they're receiving.  
7 So we do serve individuals who are on  
8 Medicaid and individuals who are not  
9 receiving Medicaid funds.

10 With the implementations of the MLTCs,  
11 we do look at transitioning individuals who  
12 might be receiving services through our  
13 network who are now eligible to receive  
14 services through the MLTCs. So we do look  
15 across the board at all funding sources as we  
16 deliver services to older New Yorkers.

17 SENATOR SERINO: Okay, great.

18 And then my last question is about the  
19 NORCs. The Executive proposes to prohibit  
20 awarding contracts to NORC and Neighborhood  
21 NORC if the program is not in compliance with  
22 statutory requirements. And how many NORCs  
23 and Neighborhood NORCs are currently not in  
24 compliance with the statutory requirements?

1                   DIRECTOR CROSSDALE: There are seven  
2 Neighborhood NORCs currently not in  
3 compliance, and four NORCs not currently in  
4 compliance.

5                   SENATOR SERINO: And do you know where  
6 the NORCs are located?

7                   DIRECTOR CROSSDALE: I do. I can  
8 provide you with that list, or I can -- I  
9 could read it off.

10                  SENATOR SERINO: That's okay. Thank  
11 you.

12                  And do you believe there could be  
13 unintended consequences of not providing  
14 these supports to communities, such as a more  
15 expensive placement like assisted living or  
16 nursing home placement?

17                  DIRECTOR CROSSDALE: A lot of the  
18 NORCs are cofunded, so they have other  
19 resources that go into their programs. The  
20 vast majority of the funding goes towards  
21 hiring individuals to coordinate the program.  
22 The actual services are provided by local  
23 service providers.

24                  So when you look at the -- let's say



1 the nursing component, when they go in and  
2 they take blood pressure, that's an existing  
3 service provider in the community that's not  
4 funded by the NORC, but those services are  
5 coordinated by individuals hired to implement  
6 the NORC program.

7 And just a portion of their funding,  
8 the funding for their salary, comes out of  
9 NYSOFA's budget. So you might find like a  
10 program coordinator, maybe 15 percent of  
11 their total salary is paid out of the NYSOFA  
12 budget. So those positions won't go away.

13 We would also work with the local  
14 areas Agencies on Aging to look for  
15 alternatives.

16 SENATOR SERINO: Great. Thank you,  
17 Director.

18 CHAIRWOMAN YOUNG: Thank you, Senator.  
19 Assemblyman?

20 CHAIRMAN FARRELL: Assemblyman  
21 Cymbrowitz, chairman for Aging.

22 ASSEMBLYMAN CYMBROWITZ: Thank you,  
23 chairman.

24 Thank you, Director Crossdale.

1 Wonderful to see you this afternoon.

2 I think the best way to sum up the  
3 Executive's proposal for NYSOFA is flat.  
4 There are no significant increases in the  
5 funding and a few cuts that are very  
6 concerning.

7 If we're going to be serious about the  
8 goal of keeping older adults in the community  
9 and the fact that there is an increase in  
10 seniors on a daily basis, we need to figure  
11 out a way of funding those needs and how to  
12 develop more service infrastructure for our  
13 seniors.

14 So I'd like to follow up and talk  
15 about what Senator Serino talked about, and  
16 the fact that one of the programs that you're  
17 cutting is NORCs. The Executive has  
18 identified about a million dollars from NORCs  
19 and Neighborhood NORCs as savings. That's  
20 almost a 25 percent cut. Can you talk about  
21 exactly where those funds are going to be  
22 going?

23 DIRECTOR CROSSDALE: Based on the  
24 current budget proposal, there's no plan for

1           reinvestment. But we would be open to  
2           considering other options as we move through  
3           the budget-making process.

4                   ASSEMBLYMAN CYMBROWITZ: Now, these  
5           NORCs have contracts with NYSOFA; is that not  
6           correct?

7                   DIRECTOR CROSSDALE: That's correct,  
8           yes.

9                   ASSEMBLYMAN CYMBROWITZ: So what  
10          happens to those contracts?

11                   DIRECTOR CROSSDALE: We would have a  
12          transition plan in working with the current  
13          NORC providers. It wouldn't necessarily be a  
14          cliff as of April 1. We would look at the  
15          time they have left in their contract period  
16          and then what would happen with those  
17          services as they move forward.

18                   We would also work with the area  
19          Agencies on Aging at the local level, because  
20          there are investments at the local level, to  
21          see if there are possibilities of investments  
22          from other funding into those programs.

23                   ASSEMBLYMAN CYMBROWITZ: Will any of  
24          the contracts that are mid-term be cut?

1           Those that are in the middle of their  
2           contracts, will they be ended?

3                     DIRECTOR CROSSDALE:  There's a  
4           possibility.  But again, we would work on a  
5           transition plan.  We wouldn't just drop them  
6           immediately.  This would be a conversation  
7           that we would have with the service provider.

8                     We would also go back and look at the  
9           data that was presented that really  
10          identified those NORCs and Neighborhood  
11          NORCs, just to make sure there weren't any  
12          shifts in the data since we looked at it  
13          last.  So that would be part of the overall  
14          analysis.

15                    ASSEMBLYMAN CYMBROWITZ:  Could you  
16          talk a little bit about exactly what NORCs  
17          do?  Not only classic NORCs, but Neighborhood  
18          NORCs as well.

19                    DIRECTOR CROSSDALE:  It's really a  
20          coordination of services.  As I mentioned, a  
21          lot of the service providers that go into the  
22          neighborhood NORCs and the traditional NORCs  
23          already exist in the community.  The  
24          coordinating staff pull all of those services

1 together, because there is a high  
2 concentration of older adults, as we know, in  
3 those neighborhood NORCs and the traditional  
4 NORCs, to make sure that the older adults are  
5 receiving the services that they need to  
6 remain in their communities and in their  
7 homes.

8 So it's really about the coordination  
9 of services.

10 ASSEMBLYMAN CYMBROWITZ: So which  
11 programs would be impacted by that reduction?  
12 You mentioned that there are seven  
13 neighborhood NORCs and four classic NORCs.  
14 Could you tell us which ones they are?

15 DIRECTOR CROSSDALE: Yes. So with the  
16 neighborhood NORCs, in Albany it would be  
17 Jewish Family Services of Northeastern  
18 New York. In Monroe it would be the Jewish  
19 Family Services of Rochester. In Nassau it  
20 would be the Mid-Island Y Jewish Community  
21 Center. In New York City, it would be the  
22 Isabella Geriatric Center. Again in  
23 New York, it would be the Visiting Nurse  
24 Services Center. In Queens it would be the

1 Samuel Field YWHA. In Queens it would be the  
2 Jacob A. Riis Neighborhood Settlement House.

3 And with our NORCs, in New York it  
4 would be the Grand Street Settlement. Again  
5 in New York, the Henry Street Settlement.  
6 Again in New York, Stanley Isaacs  
7 Neighborhood Center. And again in New York,  
8 Samuel Field YWHA.

9 A lot of these also have investments  
10 from DFTA in the tune of almost \$6.5 million,  
11 and they also receive funding from the  
12 City Council in the tune of \$2.1 million. So  
13 it would be hard to say what the actual  
14 impact would be. We have to look at their  
15 budget and see what other investments go into  
16 their programs to determine the ultimate  
17 impact.

18 ASSEMBLYMAN CYMBROWITZ: One of the  
19 requirements for NORCs is to find matching  
20 funds. So you're now punishing these NORCs  
21 and Neighborhood NORCs, and I find it  
22 extremely interesting that most of them are  
23 in New York City and most of them, it's --  
24 I'm shocked, most of them are in

1 neighborhoods that are serving Jewish  
2 communities. Because almost six out of the  
3 11 or seven out of the 11 had the word  
4 "Jewish" in the name of the organization or  
5 serve a YMHA, which is the Young Men's Hebrew  
6 Association.

7 I'm concerned that the match is being  
8 punished and certain communities in New York  
9 City are being punished.

10 DIRECTOR CROSSDALE: The decision  
11 wasn't made based on quality of services and  
12 certainly wasn't made to punish any provider.  
13 We think they all do a fantastic job.

14 As stewards of taxpayer dollars, we  
15 can't fund programs that are out of  
16 compliance with statutory requirements. We  
17 would be, though, open to other options as we  
18 move through the budget-making process.

19 ASSEMBLYMAN CYMBROWITZ: But you're  
20 specifically asking for matching funds. A  
21 certain amount of funds -- a certain amount  
22 of dollars have to be matched. And those  
23 that are receiving DFTA funds or other funds,  
24 you're saying, well, they have enough money.

1           Isn't that what you're saying?

2                     DIRECTOR CROSSDALE: No, absolutely  
3 not. A lot of the match that goes into the  
4 NORC and Neighborhood NORC programs are  
5 in-kind match. So whenever we have a  
6 community provider that goes in and, say,  
7 like I had mentioned, provides nursing  
8 services, the value of that service can be  
9 used as an in-kind match.

10                    For some of our programs that are in  
11 extremely impoverished areas, we do have the  
12 ability to waive the match, and I sign off on  
13 those. And we have, on a lot of these,  
14 waived the match because of the low-income  
15 neighborhoods that these NORCs reside in.

16                    ASSEMBLYMAN CYMBROWITZ: Is there  
17 something wrong with DFTA and New York City  
18 funding a program and NYSOFA -- you're  
19 basically saying the two can't be funded at  
20 the same time because they're providing  
21 services -- or they're providing too many  
22 services? I mean, what's the rationale  
23 behind that?

24                    DIRECTOR CROSSDALE: Oh, no, they can



1 absolutely provide services in tandem with  
2 each other. New York City has its own  
3 regulations and rules outside of what we  
4 might find in the New York State Older  
5 Americans Act. We have for decades provided  
6 services in tandem with New York City. It's  
7 not a question of whether or not we can do  
8 this in partnership, because we thrive off  
9 partnerships in the aging network. It's just  
10 strictly a matter of not meeting the  
11 statutory requirements under the Older  
12 Americans -- or the New York State Elder Law.  
13 It's not based on anything outside of that.

14 ASSEMBLYMAN CYMBROWITZ: Which  
15 statutory requirement are they not, you  
16 know -- what are they missing? Which  
17 requirements are they not matching?

18 DIRECTOR CROSSDALE: It has to do with  
19 the number of older adults that are residing  
20 in the catchment area. For the Neighborhood  
21 NORCs, they have to have 40 percent of older  
22 adults, identified as those being 60 years of  
23 age or older. And they also can't have more  
24 than 2,000 older adults living in the

1 catchment area.

2 For the NORCs, it's 50 percent of the  
3 residents have to be 60 years of age or  
4 older, and they have to have a minimum of  
5 2500 older adults living in the residence.

6 So those are the areas where the  
7 Neighborhood NORCs and NORCs that are  
8 identified have fallen outside of the  
9 statutory requirements.

10 ASSEMBLYMAN CYMBROWITZ: The goal of  
11 NORCs and Neighborhood NORCs is to help  
12 residents maintain their independence, keep  
13 them out of nursing homes, unnecessary -- you  
14 know, try to avoid unnecessary hospital  
15 visits.

16 By cutting these programs, these 11  
17 programs, what would be the Medicaid impact  
18 of reducing the availability of services?

19 DIRECTOR CROSSDALE: I don't know that  
20 there would be a Medicaid impact. The nature  
21 of all of our programs in the aging network,  
22 all have the same goal as the NORCs. That's  
23 to keep older adults at home, to reduce the  
24 rehospitalization, to reduce the risk of

1 going into a skilled nursing facility. So  
2 it's not that these older individuals in any  
3 of these areas would cease to receive  
4 services through the aging network; it just  
5 might be through a different mechanism.

6 ASSEMBLYMAN CYMBROWITZ: Would you  
7 have a number of how many people would be  
8 affected by eliminating these 11 NORCs and  
9 Neighborhood NORCs?

10 DIRECTOR CROSSDALE: I can certainly  
11 get that data for you. I don't have it in  
12 front of me this afternoon.

13 ASSEMBLYMAN CYMBROWITZ: Okay. Would  
14 you be able to give me a number also of what  
15 the economic and healthcare consequences are  
16 by reducing the Neighborhood and classic  
17 NORCs in these communities and what the  
18 impact would be on Medicaid funding?

19 DIRECTOR CROSSDALE: I can certainly  
20 try to pull that data together. But again,  
21 it doesn't mean that we couldn't put other  
22 services in place for the individuals who are  
23 residing in those catchment areas. That  
24 would definitely be part of the analysis.

1 ASSEMBLYMAN CYMBROWITZ: It just  
2 doesn't seem that it's worth doing this to  
3 11 neighborhoods for \$951,000. I just don't  
4 know what the Executive was thinking.

5 DIRECTOR CROSSDALE: We're certainly  
6 open to other options. The conversation is  
7 not closed. We can discuss this further as  
8 we move through the budget-making process to  
9 see if we can come up with other  
10 alternatives.

11 ASSEMBLYMAN CYMBROWITZ: Thank you  
12 very much.

13 Thank you, Chairman -- Chairwoman.

14 CHAIRWOMAN YOUNG: Okay. Thank you  
15 for that.

16 I don't think that we have any more  
17 questions, so we wanted to -- oh, I'm sorry.  
18 Senator Savino. I didn't see you down there.

19 SENATOR SAVINO: Thank you, Senator  
20 Young.

21 Just briefly, I wanted to -- first of  
22 all, welcome to the hearing. By the way, you  
23 have the greatest name, Corinda Crossdale. I  
24 love that. It's like alliterative.

1                   DIRECTOR CROSSDALE: Thank you.

2                   SENATOR SAVINO: I wanted to talk  
3 about two issues.

4                   One, as you know, in 2013 or 2014 --  
5 2014, we took the step of raising the income  
6 eligibility levels for SCRIE and DRIE. But  
7 those income eligibilities are going to  
8 expire, sunset later this year. Would you  
9 support an extension, a permanent extension  
10 of raising those levels? As you know, many  
11 seniors, if they lose this SCRIE benefit that  
12 they've now been able to obtain, are going to  
13 wind up in a scenario where they're not going  
14 to be able to afford their apartments.

15                   DIRECTOR CROSSDALE: I'm of course not  
16 an expert on SCRIE and DRIE, but I do know it  
17 does have a significant impact, especially in  
18 the New York City area, for older adults.

19                   We've worked very closely with DFTA to  
20 ensure that older adults who are eligible for  
21 SCRIE are aware that that benefit exists.  
22 And it has had a positive impact on older  
23 New Yorkers -- and, like I said, in  
24 particular in the New York City area.

1                   SENATOR SAVINO: Good. I also noticed  
2                   that your office is going to be working on  
3                   elder abuse. And I see the partners that  
4                   you're working with, which is OCFS and other  
5                   agencies and law enforcement.

6                   Have you had any discussions with the  
7                   banking industry? And I asked you this  
8                   question because earlier this year I was able  
9                   to sponsor an elder abuse roundtable with  
10                  some individuals from the banking industry,  
11                  because they're usually the first people to  
12                  see this happening. So will they be part of  
13                  this endeavor?

14                  DIRECTOR CROSSDALE: They have been  
15                  part of it. I've been in the network for it  
16                  seems like forever. We've had conversations  
17                  with them over the last couple of decades  
18                  that I've worked in human services, through  
19                  this initiative with the enhanced  
20                  multidisciplinary teams. DFS has actually  
21                  had training for financial institutes to help  
22                  them further be able to identify where there  
23                  might be instances of financial abuse on  
24                  older adults, and then what do you do with

1           that information, who do you report that to.  
2           So that training extends beyond just saying  
3           this is what it is.

4                     SENATOR SAVINO:  Are you including --  
5           in the City are you including Adult  
6           Protective Services also at HRA?

7                     DIRECTOR CROSSDALE:  They are a key  
8           component across the State of New York.  A  
9           lot of referrals don't come into the aging  
10          network.  The first line of defense typically  
11          is PSA -- or APS, if you're in the upstate  
12          area.

13                    SENATOR SAVINO:  Six of one,  
14          half-dozen of the other.

15                    DIRECTOR CROSSDALE:  Yeah, same thing.

16                    SENATOR SAVINO:  And the final thing,  
17          a few years ago we were seeing, especially in  
18          the City of New York, in communities where  
19          you had large populations of seniors who were  
20          non-English speakers who were being enrolled  
21          into long-term-care programs through social  
22          adult daycare programs.

23                    There was a proliferation of illegal  
24          social adult daycare centers.  There was a

1           crackdown on some of them; some of the worst  
2           actors have been prosecuted. But we're  
3           seeing it again, and they're popping up. And  
4           you just have to go into one of them and look  
5           at them and you know that these are not  
6           seniors who should be in a social adult  
7           daycare center. We're seeing healthy  
8           seniors, they're dancing -- it's basically a  
9           senior center where Medicaid is paying for  
10          it.

11                        So I know OMIG technically is  
12          responsible for investigating, but it's  
13          critically important, I think, that your  
14          agency cooperate with that, because, you  
15          know, it's not just fraud, it's having an  
16          effect also on the senior centers that are  
17          licensed by DFTA. Because, as you know, they  
18          keep their doors open by serving a certain  
19          number of meals. And when you're siphoning  
20          healthy seniors out of that process into  
21          these social adult daycare centers, they  
22          can't compete, they lose their license, their  
23          doors shut, and then there's nowhere for  
24          seniors to go.



1                   So this is not a solved problem, it is  
2                   a continuing one, and we look forward to  
3                   working with your agency and others to fix  
4                   this problem.

5                   DIRECTOR CROSSDALE: I absolutely  
6                   agree with your assessment. We definitely  
7                   work in partnership with the Department of  
8                   Health, OMIG. This is definitely something  
9                   that we've seen, primarily in the New York  
10                  City area. And we work very closely with  
11                  DFTA. Any time they receive a complaint  
12                  through their established ombudsman program,  
13                  we receive copies of all of the complaints  
14                  and copies of the resolution.

15                  And I do share anything that comes  
16                  through our agency with OMIG and DOH to make  
17                  sure we all stay on the same page with this.

18                  SENATOR SAVINO: Great. Thank you.

19                  DIRECTOR CROSSDALE: You're welcome.

20                  CHAIRWOMAN YOUNG: Thank you.

21                  Assemblyman?

22                  ASSEMBLYMAN HEVESI: Hi, Director.

23                  Yeah, over here. Sorry, I switched on you.

24                  Just before we thank you for your

1 testimony -- and we very much appreciate  
2 it -- I just want to echo the comments of  
3 Chairman Cymbrowitz. NORCs are especially  
4 important to us, not only in New York City  
5 but upstate. We had a chance under Steve's  
6 leadership to talk about this in our  
7 Democratic conference, and it was almost  
8 universal how important the NORCs are.

9 So I just wanted to express that to  
10 you, and hopefully we can work towards a good  
11 resolution under your leadership and the  
12 leadership of the chairman. Thank you.

13 DIRECTOR CROSSDALE: I look forward to  
14 working with you.

15 CHAIRWOMAN YOUNG: Thank you,  
16 Assemblyman Hevesi.

17 Senator Serino has one more question.  
18 Or more.

19 SENATOR SERINO: Yes, thank you,  
20 Director Crossdale. I just have one other  
21 question with regard to the NORCs.

22 I was wondering about the monitoring  
23 process and when did they identify that these  
24 NORCs were not in compliance. And also with

1 a follow-up to that, have there been  
2 discussions with the NORCs regarding this as  
3 well?

4 DIRECTOR CROSSDALE: This started  
5 prior to my -- the analysis started prior to  
6 my taking on my current position.

7 The agency did do due diligence, they  
8 did stretch this out as long as they possibly  
9 could, taking into the consideration the  
10 census data -- that's how we identify the  
11 number of older adults in particular areas.  
12 They also took further into account the  
13 American Communities Survey, which drills  
14 down a little bit deeper to make sure that  
15 what they were seeing in the census data was  
16 accurate.

17 They did reach out to all of the NORCs  
18 and neighborhood NORCs and had conversations  
19 with them to further verify the data. So  
20 they spent a number of years looking at this  
21 and looking at the trends to see are we  
22 seeing what we think we're seeing -- are we  
23 seeing a reduction in older adults in these  
24 NORCs and Neighborhood NORCs.

1                   So I think the agency did a fantastic  
2                   job of collecting the data before any final  
3                   decisions were made. As both you and  
4                   Assemblymember Cymbrowitz mentioned, this is  
5                   a very vulnerable population, and we want to  
6                   make sure that they're well taken care of.

7                   SENATOR SERINO: Absolutely. Thank  
8                   you.

9                   CHAIRWOMAN YOUNG: Thank you very  
10                  much.

11                  So, Director Crossdale, I think you've  
12                  heard there that there is concern among the  
13                  members who are here today about the proposal  
14                  regarding the NORCs and the Neighborhood  
15                  NORCS. And I think that one of the concerns,  
16                  of course, is that we always want seniors to  
17                  be able to live in the most appropriate  
18                  setting. And this provides a home for them.

19                  And as we move forward, if we could  
20                  take a look at that situation again, that  
21                  would be most helpful. Because the  
22                  alternative may be placing people in a higher  
23                  level of care that could -- that maybe is not  
24                  necessary and also, you know, is more costly.

1           So if you could take a look at it, that would  
2           be great.

3                     We thank you for your testimony today.  
4           We appreciate you being here and look forward  
5           to working with you in the future. So thank  
6           you so much.

7                     DIRECTOR CROSSDALE: Thank you.

8                     CHAIRWOMAN YOUNG: That concludes the  
9           state agency part of the testimony for  
10          today's hearing. So it's almost 2 o'clock;  
11          we've been going for nearly 4 1/2 hours. We  
12          have 31 speakers left to go, just so you  
13          know.

14                    And I consulted with Assemblyman  
15          Farrell, Chairman Farrell, and he agrees that  
16          we should move into this portion of the  
17          program with each participant giving five  
18          minutes of testimony, if you could stick to  
19          that number. Obviously if Senators or  
20          Assemblymembers have follow-up questions,  
21          those will be entertained. But we want to  
22          make sure that everyone has the chance to  
23          speak today, and we want to be sensitive to  
24          people's time constraints. So the further

1           you are down, of course, the longer you're  
2           going to have to wait.

3                        So we want to make sure that this  
4           moves along, but at the same time, we want to  
5           hear from people. If you cannot stay, you're  
6           welcome to submit your testimony, and that's  
7           an option. But we do look forward to hearing  
8           from you.

9                        So our first speaker, moving into this  
10          section of the program, is Patricia Sheehy,  
11          legislative committee chair and director of  
12          Putnam County Office for Senior Resources,  
13          with the Association on Aging in New York.

14                       Welcome.

15                       MS. SHEEHY: Good afternoon, Chairman  
16          Young and Assemblyman Hevesi. My name is Pat  
17          Sheehy, and I am the chair of the Legislative  
18          Committee of the Association of Aging in  
19          New York. And I'm also the director of the  
20          Putnam County Office for Senior Resources.

21                       I would like to thank the Aging  
22          Committee Chairs Senator Serino and  
23          Assemblyman Cymbrowitz for their dedication  
24          to older New Yorkers.

1                   Our association represents 59 mostly  
2                   county-based Area Agencies on Aging, known as  
3                   the AAAs, throughout New York State. These  
4                   agencies design, fund, and coordinate  
5                   programs that maintain seniors in their homes  
6                   to help delay and possibly prevent the need  
7                   for more medically intensive and costly  
8                   healthcare services.

9                   Our counties are seeing an  
10                  ever-expanding 60-plus population, in  
11                  addition to complex needs of those who are  
12                  75 and 85-plus. This cohort has put an  
13                  additional strain on our aging services  
14                  network. In 2015, 20 percent or 3.7 million  
15                  New York residents were 60-plus. And this  
16                  was the first time in history that we've seen  
17                  that number. By 2025, 51 counties will have  
18                  25 percent or more of their population over  
19                  the age of 60.

20                  As many of you know, funding has  
21                  remained rather flat for the non-Medicaid  
22                  programs that serve older New Yorkers, such  
23                  as those programs provided through the AAAs.  
24                  The result: New Yorkers with long-term care

1 needs end up on a waiting list for vital  
2 services such as home-delivered meals, social  
3 adult daycare, transportation, and case  
4 management.

5 The Governor's budget includes the  
6 increased funding the Legislature added last  
7 year for CSE and the Long Term Care Ombudsman  
8 program. Once again, we thank you for that  
9 increase. However, while the Executive  
10 Budget baselines funding for certain  
11 programs, there remains a significant unmet  
12 need. The budget proposal includes multiyear  
13 plans for a number of other agencies and  
14 sectors, yet not for the seniors, the  
15 fastest-growing population in New York. The  
16 time has come for a focus and a serious  
17 investment in our aging network.

18 The Association on Aging in New York,  
19 along with our colleagues LiveOn NY and  
20 Lifespan, have developed a \$177 million  
21 multiyear plan to modernize long-term  
22 services and supports for older New Yorkers.  
23 The full plan is included in our written  
24 testimony, and I'd like to just highlight a



1 few of those initiatives.

2 First is Community Services for the  
3 Elderly. There are nearly 10,000 older  
4 New Yorkers on a waiting list. CSE funds are  
5 used for a wide array of programs and  
6 services, which include transportation, adult  
7 daycare, in-home care, personal emergency  
8 response systems, and others. We are  
9 requesting an additional \$15 million  
10 annually, without a local match, to eliminate  
11 these waiting lists.

12 New York Elder Caregiver Support  
13 Program. We're asking for an additional  
14 \$25 million annually under the Medicaid  
15 global cap to build on the existing Elder  
16 Caregiver Support Program for Alzheimer's and  
17 dementia-related individuals, and provide for  
18 enhanced services for the 4 million-plus  
19 family caregivers in New York State.

20 Elder abuse. Elder abuse is  
21 underrecognized, underreported, and  
22 underprosecuted. For every one case of elder  
23 abuse reported, there are 23 cases that go  
24 unreported. The Rochester-based Enhanced

1 Multi-Disciplinary Team has recovered more  
2 than \$500,000 for financial elder abuse  
3 victims -- more than the previous 10 years  
4 combined.

5 Ten million dollars in funding for  
6 elder abuse is needed to expand the  
7 multidisciplinary teams statewide and to  
8 support community-based programs that work to  
9 prevent elder abuse.

10 Aging services network investment.  
11 Our aging services network has relied on  
12 volunteers to deliver many of our programs  
13 and services. While volunteers are  
14 critically important, they cannot be a  
15 substitute for paid staff. Increased funding  
16 of \$35 million over a two-to-three-year  
17 period is needed to invest in this workforce.

18 Targeted EISEP. Increased funding of  
19 \$25 million will provide the AAAs with  
20 enhanced tools to target and assist older  
21 New Yorkers who are at imminent risk of  
22 Medicaid spend-down and nursing home  
23 placement. We have identified a potential  
24 source of funding for this investment. Since

1           2006, \$37 million in federal money has been  
2           drawn down by New York State using SOFA  
3           programs -- that is, EISEP and CSE -- yet  
4           these funds have remained in the Department  
5           of Health. These programs are the reason  
6           New York has been able to draw down these  
7           funds, and therefore we believe that these  
8           funds should be suballocated to SOFA for  
9           reinvestment in non-Medicaid aging services  
10          and programs.

11                       Programs and supports provided by the  
12          AAAs and their community-based partner  
13          organizations are an integral part of the  
14          continuum of care for all New Yorkers as they  
15          age. This comprehensive, multiyear, 10-point  
16          plan will help ensure that older New Yorkers  
17          receive the services they need to remain  
18          independent.

19                       I want to thank you, and we look  
20          forward to working together to improve the  
21          lives of older New Yorkers.

22                       CHAIRWOMAN YOUNG: Thank you.

23                       Senator Serino.

24                       SENATOR SERINO: Welcome, Pat. It's

1 nice to see you here. Thanks for taking the  
2 trip up.

3 In your role at the county level, you  
4 have a front-row seat as to what is needed to  
5 serve our aging population -- what works  
6 well, and how we can do things better. In  
7 your opinion, both regionally and statewide,  
8 what can we do better to help individuals age  
9 in place?

10 MS. SHEEHY: I think that, you know,  
11 the thing that we really can do is to look  
12 over this request for the \$177 million  
13 modernization and provide what we're asking,  
14 because all of those initiatives will help us  
15 to have our citizens remain in place.

16 SENATOR SERINO: And that's so  
17 important to all of us.

18 And I just have one other question.  
19 In the fall you attended an elder abuse  
20 roundtable that I held in Dutchess County.  
21 At that roundtable, much of the discussion  
22 focused on multidisciplinary teams that are  
23 currently being used to address elder abuse  
24 in the western part of the state. And they

1 do a great job. Many, if not all,  
2 represented that such teams could be a  
3 tremendous benefit statewide.

4 What are your thoughts, and have the  
5 AAAs taken a position on the expansion of the  
6 multidisciplinary teams?

7 MS. SHEEHY: The AAAs are in support  
8 of the multidisciplinary teams and their  
9 expansion. I'm a great proponent of them; we  
10 saw how they work when I was regional  
11 director for the Office of Children and  
12 Family Services, and they're modeled after  
13 that.

14 And I must say that just last month we  
15 unfortunately had a situation in Putnam  
16 County where a home health aide provider had  
17 tried to cash a check of one of the people  
18 she was taking care of, and the State Police  
19 got involved. And it did have a successful  
20 outcome.

21 But just such a case, with the  
22 involvement of a multidisciplinary team and  
23 the model that has the bankers involved,  
24 would be a great benefit. We're seeing more

1 and more fiscal abuse of our seniors every  
2 day. So that would be tremendously helpful  
3 to us.

4 SENATOR SERINO: Yes. Thanks, Pat.  
5 And I look forward to doing another  
6 roundtable soon. Thank you.

7 MS. SHEEHY: We are looking forward to  
8 that too.

9 And I want to thank both you and  
10 Assemblyman Cymbrowitz for the work that  
11 you've been doing with us. Thank you.

12 CHAIRWOMAN YOUNG: Thank you, Senator.  
13 Assemblyman Hevesi.

14 ASSEMBLYMAN HEVESI: Chairman  
15 Cymbrowitz.

16 ASSEMBLYMAN CYMBROWITZ: Thank you.

17 Thank you for being here today.

18 A lot of thought went into your  
19 testimony and the organizations that put this  
20 package together. There's a lot of money in  
21 here over several years. I'm sure you  
22 thought about where the funds would be coming  
23 from and how we can fund this over -- some of  
24 it is three years, some of it is five years.

1 Long-term funding. Our budget is one year.

2 How do you foresee us funding this  
3 request?

4 MS. SHEEHY: Thank you for that  
5 question.

6 As I said in the testimony, we did  
7 identify that there has been money being  
8 drawn down by the state. And the way they  
9 were able to draw it down was through the CSE  
10 and the EISEP services that we do provide.  
11 And I believe that \$37 million has come into  
12 the state through that program since 2006.

13 I believe that there's approximately  
14 \$7.5 million that would be available right  
15 there this year alone. So I would urge the  
16 Legislature to look into that. I believe  
17 it's come through a waiver for the F-SHARP  
18 program.

19 ASSEMBLYMAN CYMBROWITZ: So you're  
20 talking about increases as opposed to cuts  
21 that are existing. You know, for these  
22 programs there are cuts in the NYSOFA budget  
23 that we hope that we can find dollars  
24 for first before we do a three- or five-year

1 projection.

2 MS. SHEEHY: Well, I hope that we'll  
3 be able to be successful in finding both of  
4 them. I'd like to keep in mind that most of  
5 the services that we are providing are to the  
6 Medicare recipients and that these have been  
7 New Yorkers who have lived their whole lives  
8 and paid taxes to New York State throughout  
9 that time. And I think that they are  
10 well-deserving of these funds at this point  
11 in time.

12 ASSEMBLYMAN CYMBROWITZ: Well, I  
13 couldn't agree with you more. But it's a  
14 matter of finding those dollars.

15 Thank you very much.

16 MS. SHEEHY: Thank you.

17 CHAIRWOMAN YOUNG: Thank you.

18 Okay. Well, thank you so much for  
19 being here today. We truly appreciate it.

20 Our next speaker is from AARP: Laura  
21 Palmer, associate state director.

22 And following Ms. Palmer we will have  
23 the Coalition for the Homeless, Shelly Nortz,  
24 deputy executive director of policy.



1                   So thank you, Associate Director  
2                   Palmer, for being here today. We look  
3                   forward to what you have to say.

4                   MS. PALMER: Thank you very much. And  
5                   good afternoon to the members of the  
6                   committee.

7                   My statement will focus on two basic  
8                   areas of import to our membership, State  
9                   Office for the Aging-funded programs and  
10                  hunger-related programs.

11                  The Governor's Executive Budget  
12                  essentially provides level funding for SOFA's  
13                  non-Medicaid-funded home and community-based  
14                  programs which support older people and their  
15                  family caregivers. These programs are vital  
16                  for keeping older people out of  
17                  taxpayer-funded institutions and are a great  
18                  value to the millions of caregivers in our  
19                  state.

20                  The proposed flat funding is  
21                  unfortunate. According to the Association on  
22                  Aging in New York, which represents county  
23                  Offices for the Aging, there is a statewide  
24                  waiting list of close to 10,000 people

1 seeking non-Medicaid-funded home and  
2 community-based services through programs  
3 such as the EISEP, Senior Transportation  
4 Services, and home-delivered meals. Many  
5 counties don't keep waiting lists, and there  
6 are an unknown number of people who are  
7 eligible for these programs but who are not  
8 aware of them.

9 New York State should make an  
10 additional investment in non-Medicaid-funded  
11 home and community-based care that assists  
12 both older adults and their family  
13 caregivers. New York State's lack of  
14 commitment to older residents and their  
15 caregivers frankly comes at the wrong time.  
16 Our population is aging, and it leaves fewer  
17 caregivers to care for a growing cohort of  
18 frail elderly residents.

19 A recent survey conducted by AARP  
20 New York shows that the majority of New York  
21 State voters aged 50 and over would much  
22 prefer to receive their long-term care  
23 services at home rather than in a long-term  
24 care facility. The poll shows strong support

1 for New York to make an investment in home  
2 and community-based services that help  
3 seniors to age in place and to keep them out  
4 of expensive Medicaid-funded nursing homes we  
5 well.

6 Our recommendations are, first, that  
7 the budget include a \$25 million investment  
8 for SOFA to eliminate these waiting lists  
9 through the Community Services for the  
10 Elderly program line; and secondly, that the  
11 budget include a \$30 million investment in  
12 the SOFA Respite Program to provide services  
13 to family caregivers who are in need and in  
14 crisis. These situations often arise while  
15 trying to help their loved ones to age in  
16 place in their communities, where they want  
17 to be.

18 The Governor's Executive Budget  
19 proposal also provides level funding for  
20 NORCs and Neighborhood NORCs, each at  
21 \$2.275 million. While we're grateful that  
22 this funding stream has been maintained, we  
23 are very concerned that the new language  
24 intends to recapture \$951,000 from program

1 funding for the state.

2 The new language specifies that the  
3 existing, successful NORCs and Neighborhood  
4 NORCs that are out of compliance with  
5 outdated demographic and density requirements  
6 in the current Elder Law -- to Assemblyman  
7 Cymbrowitz's earlier question, it's  
8 subdivision 1, Section 209 -- will have  
9 contracts terminated at their next renewal  
10 date either in July or in January of this  
11 coming year. This is estimated to affect 11  
12 of the 33 state-funded NORC and Neighborhood  
13 NORC programs throughout New York State.

14 AARP agrees that state funds should  
15 only be provided to successful and effective  
16 NORC and Neighborhood NORC programs.  
17 However, the compliance issues in this case  
18 are dictated by residency requirements in the  
19 current Elder Law, which have not been  
20 reexamined in the last 20 years. Instead of  
21 taking funds from existing NORC and  
22 Neighborhood NORC services, there should be a  
23 focus on meeting the needs of an ever-growing  
24 and aging population.

1           As New Yorkers age, an increasing  
2           number of residents are going to require the  
3           special health and social services that are  
4           facilitated by NORC and Neighborhood NORC.  
5           These programs and resources allow  
6           New Yorkers to age in place, to thrive in  
7           their communities, and to avoid unnecessary  
8           hospitalization or early nursing home  
9           placement.

10           Our recommendation is that the new  
11           language in the Executive Budget terminating  
12           contracts with effective programs should be  
13           excluded in the final State Budget. However,  
14           there should be a review of the NORC statute,  
15           including a program review of the  
16           demographics and density requirements. In  
17           addition, we recommend a \$9 million  
18           appropriation to better serve this very  
19           vulnerable population.

20           In the interests of time, I will cut  
21           short my hunger testimony. I have submitted  
22           the full written testimony.

23           But I will say that it's estimated  
24           that three out of every five seniors facing

1           hunger here in New York are women, and  
2           African-Americans and Hispanics are twice as  
3           likely to face hunger threats than are  
4           Caucasians. Many older adults here in New  
5           York are living on fixed incomes and rely on  
6           their Social Security benefits as the main  
7           source of their monthly income.

8                     A report issued by the Assembly  
9           Hispanic Task Force this past May found some  
10          fairly alarming statistics that showed that  
11          the Latino elderly have the highest poverty  
12          rates of all elderly ethnic and racial groups  
13          in our state. We would encourage the  
14          Legislature to take a look at this Assembly  
15          Hispanic Task Force report.

16                    We support the Governor's hunger  
17          initiatives that include new funding and  
18          extending availability and access to SNAP  
19          benefits. The task force report shows a  
20          fairly alarming trend, and clearly it needs  
21          to be arrested.

22                    I have gone over my time, so I'll say  
23          thank you for allowing us to testify. I'm  
24          certainly happy to take any questions that

1 the committee might have.

2 ASSEMBLYMAN HEVESI: Great.

3 Ms. Palmer, first, thank you for your  
4 testimony. Much appreciated.

5 I would like to agree with you as it  
6 relates to the hunger prevention. And we  
7 have been working in the Assembly, under the  
8 leadership of Assemblyman Marcos Crespo, head  
9 of the Hispanic Task Force, who is going to  
10 be pushing not only to deal with the SNAP  
11 issue but, more appropriately for us on the  
12 state level, the HPNAP funding, and see if we  
13 can address that problem that way.

14 So we agree with you, and thank you  
15 for your testimony here today. I do have --  
16 there is one question by Senator Krueger.

17 SENATOR KRUEGER: Thank you very much.

18 And I had to leave and come back, so I  
19 read the other testimony from the two senior  
20 groups prior. No one's talked about the  
21 issue of dementia. And I'm just curious,  
22 because in my district it seems that I  
23 have -- I have a very large percentage of  
24 seniors who live on the East Side of

1 Manhattan for a variety of housing  
2 demographic reasons. And you start to feel  
3 like the issues of dementia and Alzheimer's  
4 are impacting every other senior that comes  
5 into your office for help.

6 So I'm wondering what AARP's positions  
7 might be around the need for expanded  
8 services to seniors for dementia issues.

9 MS. PALMER: Certainly. We know the  
10 longer that we live, the more likely we are  
11 to be impacted by dementia or Alzheimer's or  
12 other non-Alzheimer's dementias. I think  
13 certainly some of our proposals around making  
14 sure that NORC continues to be an effective  
15 and strong support in the community, our  
16 proposals around providing robust support to  
17 family caregivers who are caring,  
18 increasingly, for people with dementia and  
19 Alzheimer's, are going to be absolutely  
20 critical.

21 I think providing broad supports  
22 across the board will, by extension, help  
23 people with dementia. We also offer  
24 programming and all of the other things that



1           AARP does. But as far as our legislative  
2           work, we stand by ready to help you with any  
3           support that you're willing to offer to New  
4           York residents living with dementias and  
5           their family caregivers.

6                     SENATOR KRUEGER: Thank you.

7                     CHAIRWOMAN YOUNG: Thank you.

8                     I think we're all set, so we truly  
9           appreciate your advocacy and your presence  
10          here today.

11                    MS. PALMER: Thank you.

12                    CHAIRWOMAN YOUNG: As I said, our next  
13          speaker will be from the Coalition for the  
14          Homeless, and that's Shelly Nortz, deputy  
15          executive director of policy.

16                    Following Ms. Nortz we will have a  
17          panel from the New York State Veterans  
18          Council.

19                    Welcome. Thank you for joining us  
20          here today.

21                    MS. NORTZ: Good afternoon. And thank  
22          you for the opportunity to testify today.

23                    My name is Shelly Nortz, and since  
24          1987 I've had the privilege of representing

1 the Coalition for the Homeless here in  
2 Albany, seeking funds to address the problem  
3 of homelessness and the root causes of it.

4 The members and leaders of the  
5 New York State Assembly and Senate are to be  
6 commended for spending the last year focusing  
7 the entire state on the problem of  
8 homelessness and promoting the solution we  
9 all know works best: Supportive housing.  
10 Assemblymember Hevesi and Senator Golden over  
11 the last year organized an unprecedented  
12 degree of support for their letters to  
13 Governor Cuomo calling for 35,000 units of  
14 supportive housing for homeless New Yorkers  
15 statewide.

16 Our elected officials from across the  
17 state turned out for rallies, forums, news  
18 conferences, public hearings, and other  
19 events to underscore the importance of  
20 gubernatorial leadership to provide the  
21 needed resources for this cost-effective  
22 housing solution. Supportive housing, as we  
23 have said time and again, solves  
24 homelessness, improves neighborhoods, and

1           saves tax dollars.

2                   A two-year grass roots campaign  
3           bolstered by your enthusiastic support  
4           delivered big for homeless New Yorkers in  
5           this budget. Governor Cuomo has committed to  
6           building 20,000 units of supportive housing  
7           for homeless people over the next 15 years.  
8           These units, combined with the 15,000  
9           supportive housing units for homeless  
10          individuals and families announced by Mayor  
11          de Blasio in November, bring us to the  
12          35,000 units we have been fighting for, and  
13          now we all need to make it real.

14                   We unequivocally support the state  
15          investments in capital, service and operating  
16          expenses for the first 6,000 units of  
17          supportive housing for homeless individuals  
18          and families, which Governor Cuomo proposes  
19          to fully fund.

20                   We are most grateful both to Governor  
21          Cuomo and Mayor de Blasio for seeing the need  
22          and addressing it, and we call on them to  
23          guarantee the future of their respective  
24          commitments by signing a fourth New York/

1 New York agreement for 30,000 supportive  
2 housing units for homeless households in  
3 New York City. This will help ensure that  
4 the units are developed in a timely fashion,  
5 and that investors and banks are confident in  
6 their lending for these projects.

7 Further, we ask that the Legislature  
8 add to this by appropriating additional funds  
9 to fully back the commitment of 20,000  
10 state-funded units over 15 years for homeless  
11 New Yorkers. Governor Cuomo has provided a  
12 substantial down payment to fund 6,000 of the  
13 20,000 units over the next seven years.  
14 These are all capital units, the first 1,200  
15 of which will not be available for occupancy  
16 until 2018-2019.

17 In the absence of a city-state  
18 agreement, we recommend that funds for all  
19 20,000 units be appropriated this year, and  
20 include 1,000-1,500 state-funded  
21 scattered-site units in at least the first  
22 couple of years to help ease the shelter  
23 census in New York City and the rest of the  
24 state.

1           Further, the Legislature should ensure  
2           that the operating and service rates are  
3           adequate for all models of supportive  
4           housing, past and future, to enable them to  
5           remain financially viable and  
6           programmatically effective, and that New York  
7           City receives at least 15,000 of the  
8           state-funded supportive housing units.

9           We all stand ready to work together to  
10          make this promise to homeless New Yorkers a  
11          reality, and we thank you all for your  
12          steadfast leadership.

13          I'm going to turn and just take a  
14          brief look at the situation of homelessness  
15          in New York City and discuss a few other  
16          budget-related matters.

17          More than 109,000 different homeless  
18          New Yorkers, including more than 42,000  
19          children, slept in the NYC municipal shelter  
20          system last year, and this constitutes more  
21          than 85 percent of the population in all of  
22          New York State in shelters. It's about a  
23          58 percent increase since 2011 when I came  
24          here to testify.

1                   And I think a picture speaks volumes.  
2                   The chart accompanying my testimony shows  
3                   that we really basically are where we were a  
4                   year ago. And part of the reason for that is  
5                   that the investments from last year in the  
6                   state budget actually haven't really borne  
7                   any fruit yet. For example, none of the  
8                   JPMorgan settlement funds programmed to  
9                   address homelessness via supportive housing  
10                  in the current budget year were spent, nor  
11                  has the city's plan for rent supplements  
12                  related to the allocation of youth facilities  
13                  reimbursement savings been approved by the  
14                  state. Therefore, the two largest state  
15                  budget initiatives to address homelessness in  
16                  2015-2016 have not actually been made  
17                  available to help homeless people move out of  
18                  the shelters this year. Therefore, it's  
19                  unsurprising that the shelter census is  
20                  virtually unchanged from a year ago.

21                  And as we have previously warned, city  
22                  investments alone are not going to get us  
23                  where we need to be in terms of driving down  
24                  the shelter census. Therefore, additional

1 state investment is required.

2 As Assemblymember Hevesi mentioned,  
3 we're very pleased to see the continued  
4 funding of the \$15 million for the enhanced  
5 rent supplements that he initiated last year.  
6 We're very pleased to support that.

7 We support the provision of an  
8 additional \$1 million in General Funds for  
9 emergency homeless needs, but we also ask  
10 that the TANF line be restored for \$1 million  
11 as well, as that references the groups with  
12 particular specified expertise and serves a  
13 different population than the General Fund.

14 And we ask that the Legislature  
15 provide \$1 million for the Client Advocacy  
16 Program. At one time it was annually funded  
17 by the Legislature, but it has not been since  
18 the recession.

19 I'm going to just speak very briefly  
20 about the executive order and outreach and  
21 the homeless shelters.

22 First of all, the executive order  
23 created quite a bit of confusion in the  
24 initial days, but I think everybody's clear

1 at this point that they don't have major  
2 changes to make in how they handle the needs  
3 of people who may be a danger to themselves  
4 or others. And I think the good thing that's  
5 come out of it is that some of the shelters  
6 have opened up their doors on cold nights,  
7 some of the communities have been able to  
8 begin to see some resources from the state to  
9 help them in reaching out to homeless people  
10 that are staying outside, and bringing them  
11 in.

12 We also welcome the Governor's  
13 attention to the conditions in shelters. We  
14 are court-appointed monitor for municipal  
15 shelters for adults in New York City, also  
16 recently appointed to monitor the shelters  
17 for families in New York City by City Hall.  
18 And we think more attention to shelter  
19 conditions is a good thing. And it's frankly  
20 refreshing because there are large and we  
21 think dangerous shelters that have been left  
22 unregulated altogether by the state, over our  
23 objections in the past. So we welcome the  
24 state's added attention to shelter



1 conditions.

2 We do not think that the state should  
3 be operating homeless shelters, any more than  
4 we should. We are a regulator of shelters;  
5 we shouldn't be running them as well. The  
6 same view holds with respect to the state.  
7 But we think that the state should be sharing  
8 equally in the nonfederal share of the costs  
9 of running shelters in New York City. And in  
10 recent years, the state has vastly shifted  
11 that cost onto the City taxpayers alone and  
12 has really cut back on the state investment  
13 in operating shelters, so that should be  
14 restored.

15 And we finally, as was referenced  
16 earlier, ask that the Legislature reject the  
17 language in the Safety Net appropriation that  
18 would permit the state to withhold funds from  
19 New York City in order to reimburse its own  
20 costs for operating shelters. There's no  
21 need for the state to fund it that way. If  
22 they want to put an appropriation in to pay  
23 themselves to run shelters, if that's what  
24 they want to do, they can do that.

1                   There's some additional budget items  
2                   in here. I would thank Senator Savino for  
3                   mentioning the sunset date on SCRIE and DRIE,  
4                   because I think that's vitally important.  
5                   And one of my additional recommendations  
6                   actually would suggest we expand to include  
7                   families with a disabled family member who  
8                   isn't head of household, for example.

9                   So I thank you, and I'll take any  
10                  questions.

11                  ASSEMBLYMAN HEVESI: Ms. Nortz, first  
12                  of all, thank you for your testimony. On a  
13                  personal note, I've just got to tell you, you  
14                  and your organization are fantastic, and  
15                  Giselle and Mary, who's been leading the  
16                  charge. The 35,000 units in the State of  
17                  New York was an idea about nine months ago;  
18                  with your strength and guidance, it has come  
19                  to fruition.

20                  So I just want to thank you and  
21                  everybody else at the Coalition. You guys  
22                  are absolutely great.

23                  MS. NORTZ: Thank you.

24                  ASSEMBLYMAN HEVESI: You've raised a

1           number of significant issues with  
2           scattered-site being spent up for the first  
3           year of New York/New York IV. So we agree  
4           with you. I think that particularly in  
5           upstate -- in the City as well, but in  
6           upstate that's something that is crucial.

7                     I hear you about the two largest  
8           investments that we did last year not coming  
9           to actually get on the ground and start  
10          helping people in need, so that's something  
11          we will take up with the Executive.

12                    And I will tell you, just on the last  
13          note, the Safety Net appropriation language,  
14          yes, I am pretty confident and that will be  
15          my recommendation that we reject that.  
16          There's no need to be punitive about that.

17                    But other than that, just want to say  
18          an incredible thank you once again.

19                    MS. NORTZ: Thank you so much.

20                    SENATOR KRUEGER: Well, I don't like  
21          you as much as he does, but --

22                    (Laughter.)

23                    ASSEMBLYMAN HEVESI: Yeah, I cornered  
24          the market on this one.

1 MS. NORTZ: But I've known you longer.

2 SENATOR KRUEGER: That's true.

3 I actually agree with Assemblymember  
4 Hevesi.

5 So I'm still confused. I understand  
6 that the state is attempting to bill the City  
7 via the Safety Net Program for additional  
8 services for the homeless, unlike what they  
9 do with any other locality in the state. But  
10 do you have a sense of how much this money  
11 this would be?

12 MS. NORTZ: I don't think they've made  
13 that determination yet. My understanding is  
14 that they've been scouting state-owned  
15 properties to convert to shelter use  
16 throughout New York City. I haven't heard of  
17 them inspecting facilities outside the City,  
18 but they could be doing that as well.

19 And not that they would charge the  
20 City under the Safety Net; they would just  
21 pay themselves out of the Safety Net budget  
22 line for the cost of the state operating the  
23 facilities. Which I just think is a bad  
24 idea. If you're the regulator, you regulate

1           and you supervise what the localities are  
2           doing in either directly operating or  
3           subcontracting with not-for-profits to run  
4           shelters.

5                    SENATOR KRUEGER:  But your  
6           understanding is the state would keep control  
7           of the operation of these new shelter sites  
8           or contract them out directly?

9                    MS. NORTZ:  That is on the table.  My  
10          understanding is that it hasn't -- that their  
11          decision making is in flux.  It's a bit fluid  
12          about how they're going to proceed, from what  
13          I understand.  Which is why I think there's  
14          not much detail and I haven't been able to  
15          get a briefing from DOB to get what their  
16          intentions are yet.

17                   SENATOR KRUEGER:  And given the way  
18          the City of New York currently operates  
19          intake, evaluation and location of where a  
20          homeless person would be directed, wouldn't  
21          that create a really complicated dual system  
22          in the City of New York?

23                   MS. NORTZ:  I agree with the question.  
24          I don't know how it would work mechanically

1           because -- and then there's another layer to  
2           it, which is for the single adults, they're  
3           governed by the Callahan consent decree to  
4           which both the city and state are a partner,  
5           which would mean we actually would be also  
6           needing to inspect state-operated shelters.

7                         SENATOR KRUEGER:   So when the Governor  
8           did his executive order about how localities  
9           should deal with street homeless, there was  
10          some back and forth and a lot of discussion,  
11          at least in the City of New York, about what  
12          we already do and that the City -- even  
13          though I'd be the first to tell you they need  
14          to do more and they're not perfect --  
15          actually has a system in place and they've  
16          made the commitment to dramatically expand  
17          the number of people on the homeless outreach  
18          teams and providing supplemental services.

19                        So my concern is more about what's  
20          happening in the rest of the state, because  
21          I've heard anecdotally stories of people  
22          being swept up and taken to emergency rooms  
23          in hospitals and left there.  And I don't  
24          know a lot about upstate emergency rooms, but

1 I'm going to take a wild guess that that's a  
2 really bad idea.

3 And so I'm wondering whether that is  
4 simply anecdotal and not really happening, or  
5 whether you see this going on in counties.

6 MS. NORTZ: So I read the account of  
7 that happening in Saratoga, and I'm not  
8 surprised to hear it. Because police often  
9 in upstate communities will transport  
10 homeless people, whether they're intoxicated  
11 or in psychiatric distress, to an emergency  
12 room. But very often emergency rooms decline  
13 to admit. And I think what Saratoga Hospital  
14 said was they did it -- the reason they  
15 received these people was because of the cold  
16 weather and the fact that there wasn't  
17 another place to take them.

18 That has not been a pattern that I'm  
19 aware of. What has been happening is a lot  
20 of the upstate shelters have started putting  
21 mats on the floor to accommodate vastly more  
22 people than they're used to having, probably  
23 in violation of their licenses. And I guess  
24 because their license are not withstood by

1 the executive order, maybe that's okay. But  
2 it does create risks.

3 I mean, one of the shelters that we  
4 inspected years ago at the invitation of a  
5 local sponsor had had a very deadly TB  
6 outbreak, and they were packing people in,  
7 you know, with just inches between their mats  
8 and beds, and making the spread of  
9 communicable disease a very serious problem.  
10 So I think -- you know, I'm glad to hear the  
11 counties are submitting plans. I'm hoping  
12 they're submitting plans that are adequate  
13 for the purpose of having sufficient shelter  
14 space that meets these standards.

15 And so the inspection thing going hand  
16 in hand with the executive order may mean we  
17 actually have more adequate shelter capacity  
18 everywhere.

19 SENATOR KRUEGER: Thank you.

20 MS. NORTZ: Thank you.

21 SENATOR KRUEGER: Assembly?

22 ASSEMBLYMAN HEVESI: I think that does  
23 it. Thank you, Ms. Nortz.

24 SENATOR KRUEGER: No, actually we have



1 another Senator then.

2 ASSEMBLYMAN HEVESI: Oh, I'm sorry,  
3 Senator.

4 SENATOR KRUEGER: Senator Diane  
5 Savino.

6 SENATOR SAVINO: Thank you, Senator  
7 Krueger.

8 Shelly, nice to see you again.

9 I want to ask you the question that I  
10 asked the OTDA commissioner about the state  
11 intervention into the homeless system,  
12 because I'm still not quite sure what role  
13 they're going to play. Considering the city  
14 issues those contracts, the state doesn't,  
15 have they involved the Coalition for the  
16 Homeless in this? Because as you stated, you  
17 are the court-appointed monitor of the  
18 shelters.

19 MS. NORTZ: They haven't. We're not  
20 quite sure what they're thinking about. We  
21 are seeking clarification. I've requested a  
22 meeting to just understand the basic  
23 parameters of what the intentions are in the  
24 budget. And I think we'll be trying to meet

1 with OTDA on the shelter inspection issue,  
2 just to make sure that we all understand what  
3 our respective roles are currently.

4 And because they haven't yet  
5 apparently decided exactly what they're going  
6 to do with these thousand additional shelter  
7 beds, I just think it's a little too early to  
8 know.

9 I'm hopeful that what their decision  
10 is is that they make those spaces available  
11 to localities to do their usual process of  
12 contracting and bringing in experienced  
13 providers. Generally speaking, I think the  
14 not-for-profits do the best job. From our  
15 30-some-odd years of monitoring shelters, the  
16 best-run shelters are the smaller facilities  
17 that are run by not-for-profits.

18 SENATOR SAVINO: I mean, certainly we  
19 all welcome the state's assistance on dealing  
20 with the homeless crisis. And one of the  
21 reasons it became I think a new crisis is  
22 because we began to see more people on the  
23 street. You know, besides the fact that we  
24 have more people seeking shelter, we're

1           seeing them on the street and they're  
2           becoming more noticeable.

3                         And one of the reasons for that -- and  
4           I've never understood this -- when I talk to  
5           shelter operators -- you know, we have  
6           Project Hospitality on Staten Island. You  
7           know, Reverend Troia runs a wonderful  
8           program. But every day she is required, by  
9           DHS and the contract that she has, to put  
10          people out in the morning. They're not  
11          allowed to stay in the shelter. They have to  
12          leave at 9 a.m. and they can't come back  
13          until later in the evening. And many of them  
14          don't have anywhere to go, and they wander  
15          around and they take their belongings with  
16          them.

17                        And I'm just wondering as to the  
18          wisdom of a policy that says that people who  
19          are undomiciled, who don't have anywhere to  
20          go, are afraid to leave their belongings  
21          behind, some of them are dealing with mental  
22          illness -- what sense does it make to force  
23          them to sit out in the street all day long?

24                        MS. NORTZ: It doesn't. And as a

1 matter of fact, you know, 30-some-odd years  
2 ago I was running a shelter, and it had that  
3 policy, and we changed that policy. Because  
4 putting people out in the day if they don't  
5 have employment or education to attend to is  
6 a recipe for serious problems. And it  
7 doesn't enable you to work with them on  
8 problem solving, income issues, disability  
9 issues, health issues, housing search, any of  
10 that.

11 So I think it's not a good policy. I  
12 think that it's not true of all shelters in  
13 the state; there are shelters where people  
14 are allowed to stay through the day. And  
15 then there are shelters that have that  
16 policy. And I would say I'd be delighted to  
17 talk to Reverend Troia about trying to fix  
18 that problem.

19 My suspicion is that some of the  
20 shelters where that's the policy is because  
21 they don't have sufficient community space.  
22 So those are the places that, for example, do  
23 things like eat in the cafeteria in shifts  
24 because they don't have enough seating for

1 all the shelter residents to sit at one time.

2 SENATOR SAVINO: Mm-hmm. Yeah, and  
3 again, it does elevate, you know, public  
4 awareness because now people think about the  
5 homeless population and they're looking for  
6 them. And they see them. You know, and it  
7 just doesn't seem to make sense that, you  
8 know, they're out wandering around all day  
9 long.

10 And finally, we don't have a  
11 commissioner of DHS in New York City. Not  
12 yet. And I'm not sure what changes will be  
13 made with respect to that agency, if any. I  
14 know Steve Banks is kind of handling a lot of  
15 homeless policy. But I imagine at some point  
16 they're going to name a commissioner.

17 But has the Coalition for the Homeless  
18 and DHS and the state talked about, you know,  
19 how to begin this what the Governor rightly  
20 calls the continuum of care? Because as you  
21 know, homelessness is a multifaceted problem.  
22 It's not just not having enough money to pay  
23 the rent for many of these families. So is  
24 there that discussion happening as well?

1 MS. NORTZ: So there's a discussion,  
2 for example, about the need for more safe  
3 haven beds that are the lower demand, smaller  
4 shelters that can be very helpful to the  
5 population that stay on the streets because  
6 they're fearful of the larger congregate  
7 facilities. And I believe there will be  
8 increased capacity, and I think maybe even  
9 the state's effort could assist with that.

10 Commissioner Banks I think is very  
11 clearheaded about the fact that he's got kind  
12 of a system in flux right now. They've made  
13 a commitment to get out of the cluster-site  
14 shelter model, which is, you know, where they  
15 take clusters of apartments in a regular  
16 apartment building and use them as temporary  
17 housing. They've made a pledge to get out of  
18 those 3,000 apartment units by I believe  
19 December of 2018.

20 And that will be a housing resource,  
21 once renovated -- and they intend to make  
22 some resources available for that  
23 renovation -- that could be, for example,  
24 made available with rental assistance to be

1           able to help people live in apartments that  
2           they can keep, as opposed to having them in  
3           temporarily.

4                        So I think there are aspects of the  
5           continuum coming together, and I think it's a  
6           work in progress. But I have many, many  
7           years of experience working with Commissioner  
8           Banks, and I have a lot of confidence in his  
9           ability to take this in the right direction.

10                      SENATOR SAVINO: Me too. Thank you,  
11           Shelly.

12                      MS. NORTZ: Thank you so much,  
13           Senator.

14                      SENATOR KRUEGER: Thank you.  
15           Assembly?

16                      ASSEMBLYMAN HEVESI: Nope.  
17           Thank you, Shelly.

18                      MS. NORTZ: Thank you.

19                      SENATOR KRUEGER: Thank you.

20                      Our next testifier is a panel of the  
21           New York State Veterans Council: Bob Becker,  
22           Linda McKinnis, John Lewis, Kirby Hannan.

23                      Good afternoon.

24                      MS. MCKINNIS: Good afternoon.

1                   SENATOR KRUEGER: And we're just going  
2                   to ask you all if you can fit in with the  
3                   five minutes between the four of you, okay?  
4                   Given the fact that it is twenty to 3:00 and  
5                   we are on Testifiers No. 7 out of -- you  
6                   don't even want to know.

7                   MR. HANNAN: We timed it out,  
8                   Senator. We come to 5 minutes and 15  
9                   seconds, so --

10                  SENATOR KRUEGER: You can have the  
11                  extra 15 seconds, thank you.

12                  (Laughter.)

13                  MR. HANNAN: Thank you for the  
14                  opportunity, Senators and members of the  
15                  Assembly. And the panel consists of veteran  
16                  volunteers who greatly appreciate this  
17                  opportunity. We want to talk to you about  
18                  the most pressing and challenging issues that  
19                  we believe face the veteran today.

20                  We're going to be brief because we  
21                  want to leave time for your questions. We  
22                  think your questions are just as important as  
23                  what we have to say.

24                  I'm Kirby Hannan. I'm legislative



1 coordinator for the VFW. With me is John  
2 Lewis, legislative chair of the VFW; Linda  
3 McKinnis, legislative coordinator for the  
4 Disabled American Veterans; and last but not  
5 least, Bob Becker, who is the legislative  
6 coordinator for the Veterans Council of  
7 New York State.

8 And I'd like to point to our narrative  
9 or our testimony. And there's a memo on top  
10 of it, if you have it in front of you. The  
11 memo happens to deal with the VDP program,  
12 what we call the Veterans Defense Program.  
13 And it's a budgetary request. But that's not  
14 the only thing we wanted to come and talk to  
15 you about today.

16 But what we really did want to do is  
17 have you understand Bob's council and the  
18 wide panoply of people that sent us here  
19 today with their mission. So that's what  
20 we're here to do.

21 John is going to talk about the  
22 importance of a continued emphasis on  
23 orientation for the returning vets of all  
24 wars.

1           Linda and I will talk about -- very  
2           briefly -- about the efforts to fully fund  
3           service officers and the Peer to Peer  
4           Program. And we want to urge, or Linda would  
5           like to urge Senate support for a federal  
6           initiative, the federal Women Veterans Access  
7           to Quality Care Act, to the extent that you  
8           can communicate with your counterparts at the  
9           federal level.

10           And then Bob Becker, the critical  
11           nature of what is commonly known as the  
12           Veterans Buyback Bill, a huge message bill  
13           for veterans of all wars.

14           And then, finally the groundswell of  
15           support for the Veterans Defense Program,  
16           which is the memo on top.

17           So please, John --

18           MR. LEWIS: Very well. My name is  
19           John Pemrick Lewis, and I'm here today  
20           representing the Veterans of Foreign Wars,  
21           Department of New York, as their state  
22           legislative cochairman. I also am a  
23           legislative appointee to the New York State  
24           AIDS Advisory Council. I'm employed with the

1 Office of Emergency Management in the  
2 recovery division. I'm a 22-year Navy  
3 veteran.

4 As we are aware, the United States has  
5 been at war for more than 15 years.  
6 Reorientation funding for our combat troops  
7 and sailors is on the decline. We have found  
8 many veterans with multi-tiered systemic  
9 problems. These include family problems,  
10 mental health problems, problems with the  
11 law, and problems with living their life.

12 Veteran service organizations are  
13 dealing with this the best they can, but they  
14 need help. Veteran services organizations  
15 pride themselves on taking care of their own.  
16 We have discovered raising money privately  
17 simply is not enough. Various stress  
18 disorders are rampant and causing mounting  
19 fiscal implications.

20 While service officers and Peer to  
21 Peer mentors are available, many current and  
22 former service members are falling through  
23 the cracks. Many are finding problems with  
24 the law.

1           I present to you, Madam Chair, two  
2           examples of why we need a Veterans Defense  
3           Program. The first example occurred here in  
4           Albany's federal court system. A married  
5           veteran with a very young autistic child  
6           served in both Iraq and Afghanistan. He was  
7           arrested and incarcerated. He was facing  
8           five years in a federal penitentiary for his  
9           crime. Representatives from the Veterans  
10          Defense Program engaged the court system,  
11          providing extenuating mitigating  
12          circumstances, as environment in his service  
13          records, to which the federal judge ruled  
14          favorably, resulting in a fighting chance for  
15          this warrior to work towards becoming whole  
16          again.

17          My second example, Madam Chair: A  
18          young local veteran serving over 12  
19          consecutive months in the Iraq theatre --  
20          engaged in two combat patrols each day, every  
21          day -- came home and began self-medicating in  
22          order to cope with his experiences. He  
23          nearly lost his life in a motorcycle  
24          accident. The Albany County court system,

1 with the assistance of the Veterans Defense  
2 Program, recognized the impact of his service  
3 and how it played a role in his service, and  
4 ruled, with the Veterans Administration's  
5 assistance, to give him a fighting chance.

6 I am thrilled to convey to you today  
7 both warriors are doing very well in their  
8 progress. Neither has reoffended, and both  
9 remain steadfast in working towards becoming  
10 whole again.

11 Madam Chair, I strongly urge your  
12 support for the inclusion of \$1.1 million in  
13 this year's budget for the Veterans Defense  
14 Program of the New York State Defenders  
15 Association, which will create the  
16 sustainability needed to defend those who  
17 defend America.

18 CHAIRWOMAN YOUNG: Thank you.

19 MR. HANNAN: Linda McKinnis and I  
20 would like to create an awareness of the  
21 importance of service officers and the  
22 importance of the Peer to Peer Program, which  
23 I know the Senate is very familiar with, but  
24 we'd like to take a minute on it. And there

1 is no better way to do that than by turning  
2 to Linda, who is both a service officer and a  
3 Peer to Peer mentor. Linda?

4 CHAIRWOMAN YOUNG: Thank you, Linda,  
5 for your service.

6 MS. MCKINNIS: Thank you very much.

7 Again, like he said, my name is Linda  
8 McKinnis. I am a two-time war -- combat  
9 veteran, woman veteran. I also work with the  
10 DAV, I'm a member and a legislative officer  
11 for the DAV, for Chapter 38 and for the whole  
12 state. I thank you today for being here.

13 As far as the Peer to Peer is  
14 concerned, I do that in my community. I  
15 realize a lot of veterans have a hard time  
16 trying to deal with the VA system themselves.  
17 They don't want to go to the VA for services,  
18 they feel like it's very clinical. And as a  
19 veteran myself, I understand that very well.

20 So what I have done, through the DAV  
21 and through them, is also we set up Peer to  
22 Peer programs. There are Peer to Peer  
23 programs, mostly through the VA and through  
24 other mental health facilities. But

1           unfortunately, people don't want to feel  
2           stigmatized, and I think that's the biggest  
3           problem. We're trying to break down that  
4           wall of stigmatization. And the fact that  
5           you're a veteran, it weighs even much more  
6           heavier on you.

7                         So with that being said, I have taken  
8           it upon myself to be trained to be a Peer to  
9           Peer specialist. I am at this moment waiting  
10          for my certification to not only deal with  
11          the mental illness, but to deal with the  
12          person as a whole being, as whole. And  
13          that's what we want. We don't want the  
14          veteran to just be cured from whatever their  
15          illness is, but we also want them to be able  
16          to go through the rest of their lives, help  
17          their families also deal with the  
18          circumstances that we have.

19                        We hope that you continue to support  
20          the Peer to Peer programs and not only make  
21          money available for myself and other  
22          organizations like the DAV the VFW, and the  
23          American Legion, who want to become Peer to  
24          Peer specialists, that the money is there,





1           you continue to fund these programs, you  
2           continue to fund the Peer the Peer Program  
3           and also fund the Service Officers Program,  
4           because if I'm not out there in that  
5           community, then there's not going to be no  
6           one else to serve these veterans. And  
7           without myself and my other comrades being  
8           here -- we are the front-line help to all of  
9           these veterans. Thank you.

10                   CHAIRWOMAN YOUNG: Thank you very  
11           much.

12                   MR. HANNAN: I just want to point out  
13           two things, if I could, to follow up Linda.

14                   One is thank you to the Senate for  
15           having put money in the budget for several  
16           years now that directly relates to the Peer  
17           to Peer Program, and we would love to see  
18           that expanded.

19                   And then secondly, I just want to  
20           point out that the Service Officer Program,  
21           which Linda is intimately involved with, is  
22           really the traffic cop involved here, and  
23           that's the person who does all of the things  
24           that Linda just said in a panoply of ways.

1           Right now we have a bill up, it's  
2           Senator Addabbo's bill, S2497A. It is an  
3           example of a personal income tax checkoff  
4           similar to the breast cancer checkoff. It  
5           would raise perhaps around \$500,000. But  
6           it's an example of our kind of -- in some  
7           respects, maybe even naive way -- of  
8           approaching the funding. But if we ever had  
9           matching funding for that, wouldn't that be  
10          wonderful. We could put 20 to 30 more  
11          service officers on the ground.

12                    Thank you.

13                    CHAIRWOMAN YOUNG: Thank you.

14                    MS. MCKINNIS: Just to, I guess, put  
15          the icing on the cake, one of the Peer to  
16          Peer services that is very strong in the  
17          community is the SAGE organization, and  
18          that's the Services Advocate for Gay, Lesbian  
19          and Bisexual Gender Elders, and they're all  
20          veterans.

21                    And we understand, again, trying to  
22          break down the wall of stigma. If a veteran  
23          even dares to say that they have a sexual  
24          orientation issue, that -- it's like they're

1 cut off from all services. And we don't do  
2 that. You know, as brothers and sisters of  
3 the services, we don't discriminate.  
4 Regardless of what gender you are, what  
5 service you are, or whatever you were in  
6 conflict, we don't do that. And we treat  
7 everybody equally. And on that level, SAGE,  
8 that is working out of New York City, they're  
9 asking for \$200,000 to continue doing what  
10 they do also. They would like to open up a  
11 location in the Rochester area to expand on  
12 their facility, which again, we sit here as a  
13 counselor and we stand behind them on that.  
14 Because again, like I said, we're all  
15 brothers and sisters in arms.

16 So with that being said, I hope that,  
17 you know, they can be honored with that  
18 \$200,000 to continue doing the fight and  
19 being on the front line like we are.

20 Thank you.

21 CHAIRWOMAN YOUNG: Thank you.

22 MR. HANNAN: Last but not least,  
23 Senator Larkin's bill adds a permissive  
24 component, and that is Senate 2206. It adds

1 a permissive component to your program, your  
2 Peer to Peer Program. It would allow people  
3 like Linda, service officers, to be able to  
4 move into credentialing if they so choose,  
5 but not to be a threshold of entry. Thank  
6 you. Sorry.

7 CHAIRWOMAN YOUNG: Thank you, Kirby.

8 I wish to thank all of the members of  
9 the New York State Veterans Council for being  
10 here today. And most of all, we thank you  
11 with all our hearts for your service to our  
12 country, for protecting our freedoms. And  
13 your voice is so important to veterans all  
14 across New York State, because oftentimes  
15 they don't speak up -- and you speak up on  
16 their behalf.

17 And you advocate, and we've gotten a  
18 lot of work done together on behalf of  
19 veterans. But as you point out, there's  
20 further to go. We have a lot more to do.

21 Linda, thank you so much for taking  
22 part in the Dwyer Peer to Peer Program. As  
23 you know, it was the Senate that started that  
24 effort. The fact that you are taking this on

1 to counsel your fellow veterans is enormous,  
2 and it makes such a difference. And I'll get  
3 back to that in a second.

4 But every generation who has served  
5 our country and has been in combat during  
6 war, comes home with wounds. And some wounds  
7 we can see, because they're physical, and  
8 some wounds we can't see, because of PTSD,  
9 some other emotional problem that they may  
10 have developed because of their service. And  
11 we owe it to them to do as much as we can to  
12 help them.

13 A few years ago I was talking to a  
14 woman, and her brother had served in World  
15 War II. And he's since deceased. But she  
16 said after he came home, they had a whistling  
17 teapot and her mother had to throw it away  
18 because every time the teapot came to a boil,  
19 it made that whistle and it reminded him of  
20 incoming.

21 And that's the kind of service and  
22 sacrifice that our brave veterans have made  
23 over the generations.

24 And, Linda, I want to ask you about

1           this, because what we have found -- you're in  
2           the military, you're trained to be a warrior.  
3           How difficult is it to make that switch when  
4           you get home and say, I've got some issues I  
5           need to deal with, and I have to get help?  
6           Because I have to imagine that it's an  
7           enormous hurdle for some people to change  
8           that whole mentality that they've been  
9           trained to fulfill.

10                        Could you address that?

11                        MS. MCKINNIS: Yes, I can.

12                        Like you say, it is a challenge  
13           because in the military they teach you to be  
14           self-sufficient a lot on everything. And  
15           when you go from military to civilian, you're  
16           still stuck in that military mode.  
17           Everything that you do has a time basis. You  
18           wake up at a certain time, you eat at a  
19           certain time, you do something at a certain  
20           time. It is very hard to transition over  
21           because you're so stuck in that.

22                        That's where Peer to Peer comes in.

23                        And that's where we go there and we say:

24           Listen, you know, civilians are not going to

1 move on your command. They're not on a  
2 timely basis. You know, if you ask somebody  
3 to do something and they don't do it, you  
4 can't get all upset, you can't start  
5 exploding.

6 So it takes time. You know, some  
7 people can transition very easily, and some  
8 may take up to six months, maybe a year to do  
9 it. And then on top of that, we have to also  
10 know that these people are coming back now,  
11 once their mind is starting to settle down,  
12 PTSD is starting to kick in, TBI is starting  
13 to kick in, schizophrenia is starting to kick  
14 in.

15 And, you know, a lot of them are  
16 flashbacking. And I am a true witness to  
17 that; a lot of veterans are flashbacking to  
18 that time when they thought it was safe,  
19 thought it was safe when all the gunfire was  
20 happening. That was safe for them, because  
21 they knew what to expect. Now that they're  
22 home, they don't know what tomorrow is. They  
23 don't know what the next hour will consist  
24 of.

1           So the transition is hard. We do have  
2           some people -- not a lot, unfortunately --  
3           that are on the front end trying to help with  
4           the transitioning. It is difficult. Again,  
5           myself, being a Peer to Peer, and I've been  
6           down that dark road a lot of times. I'm out  
7           there, I have no shame in telling my story, I  
8           have no shame in telling somebody that I've  
9           done things that I shouldn't have done. But  
10          at the same time, I'm there to help you. If  
11          you need help trying to get the mental help,  
12          I'll be there with you. If your family needs  
13          money or needs some type of resources, I will  
14          work with you.

15                 We need people to be out there that  
16                 can walk that same walk with these  
17                 individuals that's been there.

18                 CHAIRWOMAN YOUNG: Thank you very  
19                 much. And thank you for your service.

20                 What we're seeing now with veterans  
21                 coming back from Iraq and Afghanistan is that  
22                 there is a significant issue, as you point  
23                 out, with traumatic brain injury because of  
24                 injuries due to improvised explosive devices



1           that have gone off. I've spent time  
2           previously with my constituents who were  
3           injured, at Walter Reed, and I saw the work  
4           that they were doing with people who were  
5           missing limbs -- you know, arms and legs --  
6           traumatic brain injury.

7                        I had a constituent who lost his leg  
8           and almost lost his life. And I'm happy to  
9           report he since has recovered and he has  
10          three beautiful children.

11                      But it's those types of instances that  
12          we have to really assist with. So that's why  
13          the Senate has done other things like  
14          adaptive housing, supportive housing is a big  
15          thing. And we see vets with issues with  
16          heroin and opioid addiction now because  
17          they're self-medicating. We see veterans who  
18          are homeless because of PTSD. We see  
19          veterans who are committing suicide, which is  
20          a very alarming situation.

21                      So I just want to say to you thank you  
22          so much for what you're doing to change  
23          people's lives and give them a helping hand.  
24          We truly appreciate it.

1                   And again, I want to thank all the  
2 veterans organizations who are represented  
3 here today for all that you do. And we look  
4 forward to continuing to work with you.

5                   Assembly?

6                   MR. BECKER: We could not say that any  
7 better.

8                   MR. HANNAN: Senator, Bob Becker had  
9 one 10-second request that I think you'll  
10 find somewhat humorous.

11                  MR. BECKER: My name is Bob Becker.  
12 I'm a retired Marine, 20 years.

13                  CHAIRWOMAN YOUNG: I didn't think  
14 Marines ever retired.

15                  (Laughter.)

16                  CHAIRWOMAN YOUNG: I thought once  
17 you're a Marine, you're always a Marine.  
18 Ooh-rah, right?

19                  MR. BECKER: I'm not really retired.

20                  CHAIRWOMAN YOUNG: I knew that.

21                  MR. BECKER: I'm over here to support  
22 the veterans from New York State here. And  
23 we're -- the council has 31 veteran  
24 organizations from the State of New York.

1           And we cover every facet of life -- female  
2           veterans, black veterans, VFW, American  
3           Legion, Marine Corps League, DAV. We're here  
4           to support them. And we meet once a month  
5           here in Albany, and we have a good thing  
6           here.

7                     The Veterans Defense Program, we  
8           support it a hundred percent. Last year you  
9           gave us \$500,000 last year to support this  
10          program, and this year we're asking for an  
11          additional \$600,000 to bring it up to  
12          \$1.1 million so they can expand down in New  
13          York City and also expand out in the western  
14          part of the state. This is a great program,  
15          and they've done a marvelous job on Veterans  
16          Day.

17                    We support Senator Larkin's bill  
18          S5937, on -- the buyback bill. And we  
19          know -- we thank the Senate and we thank the  
20          Assembly for supporting this for the last two  
21          years. And, you know, I think every year  
22          we -- in fact, this council here is the one  
23          that worked so hard to get this bill  
24          together, and we got it passed. But it

1 always got that little -- at the end there, a  
2 veto from the Governor saying that he was  
3 going to veto it.

4 But this year he really surprised us  
5 by saying "You put it in the budget and I'll  
6 sign it." And we're here to ask you to put  
7 it in the budget for us and put also the  
8 Veterans Defense Bill, the Peer to Peer and  
9 service officers in the bill. We're here to  
10 help our veterans, and they can use it, and  
11 our veterans can too.

12 Thank you very much from the council,  
13 the 31 members of the council. Thank you.

14 CHAIRWOMAN YOUNG: Very good. And  
15 thank you for bringing that up. As you know,  
16 there's very strong support in the  
17 Legislature, both in the Assembly and in the  
18 Senate for that bill.

19 And I'm also very pleased to see that  
20 you mentioned so many of Senator Larkin's  
21 bills. And as you know, he's a true American  
22 hero who is devoted to veterans issues. So  
23 it's great that you support him so much.

24 MR. BECKER: Also a retired lieutenant

1 colonel.

2 CHAIRWOMAN YOUNG: That's exactly  
3 right.

4 Senator Savino.

5 SENATOR SAVINO: Thank you, Senator  
6 Young.

7 Speaking of Senator Larkin, Senator  
8 Larkin was instrumental two years ago in  
9 helping me pass the Compassionate Care Act of  
10 New York State, the medical marijuana bill,  
11 because he had heard from many veterans, as I  
12 have heard from many veterans in my district,  
13 about the level of PTSD.

14 At the time, the Governor's office  
15 decided that they would wait and make a  
16 decision about adding posttraumatic stress  
17 disorder to the program in order to study it  
18 more. For whatever reason, they decided not  
19 to add it.

20 And what I was hoping is that with the  
21 level of PTSD that you are seeing, knowing  
22 that many of our veterans are self-medicating  
23 with alcohol and illegal drugs or they're  
24 being prescribed medication to deal with

1 anxiety, anti-anxiety drugs -- you know,  
2 Ativan, Valium, you name it -- and then  
3 they're given drugs to help them sleep at  
4 night, Ambien or some other sleeping pills.  
5 They're either self-medicating or they're  
6 being medicated.

7           There are significant studies that  
8 show that medical marijuana -- and you can't  
9 smoke it in New York State, it's not a  
10 smokeable kind -- can have a very positive  
11 effect on PTSD.

12           So we're going to take another shot at  
13 getting the administration to add to it. And  
14 I would welcome the support of any of your  
15 organizations, and your organization, in  
16 helping make that case that it is time for us  
17 to give veterans an alternative to what they  
18 have right now when they're suffering from  
19 PTSD. And it shouldn't just be highly  
20 addictive, dangerous narcotics.

21           So that's more of a statement. And I  
22 would solicit your assistance in this effort.  
23 Thank you.

24           CHAIRWOMAN YOUNG: Thank you, Senator.

1                   SENATOR KRUEGER: Just very quickly.  
2                   Cathy Young and I don't find that many things  
3                   we can agree on so 100 percent, so I --

4                   (Laughter.)

5                   CHAIRWOMAN YOUNG: Come on. We're  
6                   getting along swimmingly.

7                   SENATOR KRUEGER: No, we are. But  
8                   actually I just wanted to say everything that  
9                   she said, I don't think there's one  
10                  legislator who doesn't agree with that. And  
11                  the recognition not just of your service but  
12                  of such a huge number of men and women coming  
13                  back to our state from the military, and the  
14                  critical needs that you have every right to  
15                  come to your government and ask for  
16                  assistance with.

17                  I have the Manhattan VA Hospital in my  
18                  district, I think probably one of the finest  
19                  VA hospitals in the country. But that  
20                  doesn't mean that they even have adequate  
21                  resources to deal with the needs of people  
22                  coming back. And I'm a huge fan of  
23                  peer-to-peer programs. They are just such a  
24                  wonderful model, not just for veteran needs

1 but in so many different community  
2 participation issues that you look at.  
3 People who have walked the walk and lived the  
4 life, not only can they offer incredible  
5 service to others, but I actually think it  
6 strengthens us all when we participate. So  
7 we are winners as well as the givers in those  
8 programs.

9 So just thank you all for what you're  
10 doing, and hopefully we will actually be able  
11 to accomplish what you've asked us here  
12 today.

13 CHAIRWOMAN YOUNG: Thank you, Senator  
14 Krueger, for those eloquent remarks. So  
15 thank you.

16 MR. HANNAN: Thank you very much.

17 CHAIRWOMAN YOUNG: All right. Well,  
18 thank you for your participation today.  
19 Again, we salute you for everything you've  
20 done for your country and what you continue  
21 to do, and truly it's a pleasure. Thank you.

22 ALL PANELISTS: Thank you.

23 CHAIRWOMAN YOUNG: Our next speaker,  
24 from the Human Services Council, is Michelle



1 Jackson, associate director and general  
2 counsel.

3 And following Counsel Jackson, we'll  
4 have, from the New York Public Welfare  
5 Association, Rick Terwilliger, director of  
6 policy. So as I call your name, if you want  
7 to start to migrate down toward the front,  
8 we'll be able to expedite things.

9 But I want to sincerely give my  
10 appreciation to Ms. Jackson. Welcome.

11 MS. JACKSON: Thank you. And thank  
12 you so much for providing me the opportunity  
13 to testify today. I do promise to be brief,  
14 as I know there's a lot of people behind me  
15 wanting me to be brief.

16 You have a copy of my testimony, so  
17 I'd just like to summarize a couple of key  
18 points about the human services sector in  
19 New York.

20 I represent the Human Services  
21 Council. We're a membership association of  
22 about 170 nonprofit human service providers,  
23 and we do policy and advocacy on their behalf  
24 at the city and state level.

1 Overall, the sector is not doing well.  
2 We are a partner with government in  
3 delivering vital services to communities, in  
4 building resilient communities, in providing  
5 bridges to opportunity for individuals and  
6 families. And since the recession we have  
7 seen a divestment in the sector as well as a  
8 continued underfunding.

9 Some of the main points pointed out in  
10 a recent survey that we have done as well, as  
11 the Urban Institute, have shown that  
12 30 percent of nonprofits in 2013 had only two  
13 months or less of operating reserves. Half  
14 of their budgets showed losses between 2010  
15 and 2013, even after they implemented cost  
16 savings measures. And the Urban Institute  
17 survey points out that across the state,  
18 human service providers, 49 percent of them  
19 froze or reduced employee salaries;  
20 43 percent drew down on their reserves; and  
21 27 percent reduced their employee head  
22 counts. And there's a lot of other numbers  
23 that, you know, are not good. Which we can  
24 share with you.

1                   We'll be coming back to the  
2                   Legislature in this session and in coming  
3                   sessions to talk about long-term solutions.  
4                   We have a report coming out about the sector  
5                   and the real need for reform. But in this  
6                   legislative session, we'd really like to talk  
7                   to you about three things. First is the need  
8                   for a minimum wage increase that includes  
9                   funding for human services contractors. The  
10                  second is the reinvestment and make the  
11                  Nonprofit Infrastructure Fund a reoccurring  
12                  fund, and fund it at \$100 million, not just  
13                  \$50 million, which is what it's currently  
14                  allocated at for last year. And then full  
15                  implementation of the OMB guidelines, which  
16                  is around indirect rates, a very sexy topic  
17                  which I'll get to at the end.

18                 So first, around the minimum wage, the  
19                 nonprofit sector is supportive. Our members  
20                 in the Human Services Council support an  
21                 increase of the minimum wage to \$15. The  
22                 lack of wages in the State of New York  
23                 prevents us from doing our jobs effectively.  
24                 We need an adequate wage to move people out

1 of our programs and into the middle class and  
2 have a healthy income.

3 There's recently been articles using  
4 the nonprofit human services sector as a  
5 reason not to do the minimum wage. We do not  
6 want to be used as a scapegoat for opposition  
7 to minimum wage in that area. We will step  
8 up. It will be painful in certain ways. Not  
9 all of our contracts are with government.  
10 We'll have to use private philanthropy,  
11 private fundraising, and make staffing  
12 decisions around the minimum wage -- but it's  
13 long overdue. And it helps not just the  
14 people that we serve, but also our workers.

15 There's a lot of data about our  
16 workforce itself needing access to services,  
17 the services that they provide as well as  
18 public assistance programs. We are not a  
19 minimum wage sector, and yet the wages that  
20 we give to our staff often are minimum wage,  
21 not allowing for sustainable development  
22 within organizations. And so the minimum  
23 wage would be incredibly important to them.

24 And also the big piece of that is for

1 human service contracts, they need to be  
2 funded. We have estimated that for human  
3 services contracts, it will be about  
4 \$350 million once it's fully implemented, the  
5 \$15 minimum wage. That does not take into  
6 account the Medicaid dollars, which is much  
7 more convoluted math, but that's also a  
8 significant investment. But it's an  
9 investment in a workforce that needs an  
10 investment in our wages and is long overdue.

11 So speaking of that, along with just  
12 the minimum wage, we would need spillover for  
13 people who are either above minimum wage and  
14 above \$15. Typically I would come to you  
15 with an ask around the cost-of-living  
16 adjustments, COLAs. We haven't really seen a  
17 statutory COLA in the last six years. There  
18 has been a COLA in the last two years, but  
19 it's pretty dismal; in fact, it's only a  
20 certain subsector of workers. So along with  
21 the minimum wage, we'd like to see investment  
22 in spillover, which we think will help to  
23 right-size the salaries of the workforce who  
24 are under contract with the state.

1                   So that's the minimum wage piece.

2                   Secondly, the Infrastructure Fund, we  
3                   were very happy to see the \$50 million  
4                   Nonprofit Infrastructure Fund that was  
5                   implemented last year. It's currently being  
6                   allocated. We don't see a new \$50 million  
7                   allocation this year. We have assessed our  
8                   members, and just out of 30 responses that we  
9                   got, there's about \$17 million in  
10                  infrastructure needs. So we'd like to see  
11                  that fund reoccur at \$100 million and be a  
12                  reoccurring fund, because we think there's a  
13                  lot of infrastructure need.

14                  This is another area that the  
15                  nonprofit sector has greatly underfunded.  
16                  For example, DHS has just funded \$120 million  
17                  just for New York City shelter infrastructure  
18                  needs. And at the state we have a one-time  
19                  \$50 million infrastructure for all human  
20                  service nonprofits as well as other  
21                  nonprofits across the state. So there really  
22                  needs to be more investment in that area.

23                  And then finally, there is OMB  
24                  guidelines, which require, for any federal

1 pass-through dollars, an indirect rate of at  
2 least 10 percent, or using the federal  
3 indirect rate that individual nonprofits have  
4 that finally went into effect at the end of  
5 last year. We have not seen the state or New  
6 York City implement that.

7 Indirect rates definitely speak to the  
8 infrastructure needs of nonprofits. They  
9 don't have adequate infrastructure, IT  
10 systems, telephone systems, financial  
11 reporting systems. And being able to pay an  
12 adequate indirect rate is really key to that.  
13 We want to thank Assemblymember Hevesi for  
14 writing a letter on our behalf about the OMB  
15 guidelines.

16 Again, it's people want to feed the  
17 kids, no one wants to gas up the van.  
18 Indirect is not the sexiest of topics, but  
19 it's really crucial in terms of not just are  
20 we fixing cracks in ceilings and do we have a  
21 front desk, do we have security, but also in  
22 terms of having financial accountability,  
23 which we see the state looking more and more  
24 towards, is making sure taxpayer dollars are

1           spent adequately. But that means paying for  
2           accountants, CFOs, contract managers and  
3           those kinds of positions that are not program  
4           dollars.

5                        So I'll stop there and take any  
6           questions that you have.

7                        CHAIRWOMAN YOUNG: Thank you.

8                        Assemblyman Hevesi.

9                        ASSEMBLYMAN HEVESI: Thank you.

10                      First, good afternoon. How can you  
11           say that indirect rates from the federal  
12           government are not sexy? I mean, that's as  
13           good as it gets.

14                      (Laughter.)

15                      MS. JACKSON: You know, the indirect  
16           stuff, it's just not great at cocktail  
17           parties.

18                      ASSEMBLYMAN HEVESI: Okay. Fair  
19           enough. So yes, we have worked with you and  
20           we will follow up with the Executive on that,

21                      I do want to touch on the other two.  
22           Regarding the \$15 minimum wage, look, you  
23           guys are on the front lines of dealing with  
24           all of our critical issues -- childcare,



1           homelessness, foster care. We have to make  
2           sure you're taken care of.

3                        So I am not at liberty to tell -- not  
4           at liberty. I'm not able to tell you that it  
5           is definitively going to be in the Assembly  
6           one-house, but I will tell you that a  
7           significant coalition of members of the  
8           Assembly -- I believe over 40 and growing --  
9           are looking to not only include costs for  
10          nonprofits in the \$15 minimum wage, but also  
11          address the spillover issue. So that's one.

12                       MS. JACKSON: Great, thank you.

13                       ASSEMBLYMAN HEVESI: And we will  
14          continue to push because we need you guys  
15          more than whole, we need you to continue the  
16          great work that you do.

17                       I will also suggest the Nonprofit  
18          Infrastructure Fund. The Executive did not  
19          put in an additional 50, and we in the  
20          Assembly are looking to see if we can come up  
21          with dollars for that as well. And yes, we'd  
22          like to see that recurring because we  
23          understand there's a need.

24                       My question is about the first 50.

1           The distribution, has it been going well? I  
2           know \$50 million for every nonprofit in the  
3           state is sort of difficult. I just wanted to  
4           know if the parameters the Executive has set  
5           geographically and otherwise make sense.

6                   MS. JACKSON: So 50 million, first of  
7           all, is just a drop in the bucket. I have  
8           one nonprofit in Manhattan that could have  
9           spent \$12 million on its own on one project.

10                   We're not privy to kind of how the  
11           distribution is breaking out. For the most  
12           part, we've heard that there's at least over  
13           about -- you know, just from surveying our  
14           members and knowing the needs from our  
15           membership and the statewide coalition that  
16           we partner with, we think there's clearly  
17           over 500 applications for this \$50 million.

18                   And like I said of the survey, a rough  
19           survey of our members with only 30  
20           respondents, we came up with about  
21           \$18 million to \$20 million in needs. So we  
22           expect that fund to be spent quickly. I  
23           think it was a good allocation. They  
24           included a lot of different areas. And

1 initially they had not included DSRIP groups,  
2 but they amended that. And that obviously is  
3 a big deal because a lot of our members do  
4 get some sort of DSRIP funding in terms of  
5 running different types of clinics.

6 They did not include HEAL funding,  
7 though. If you received HEAL funding, that's  
8 one area -- and we'll follow up with a  
9 one-pager around some of the areas we'd like  
10 to see fixed. But we do have a number of  
11 organizations who would have liked to apply  
12 but felt that they weren't eligible based on  
13 getting HEAL, being a HEAL recipient or a  
14 subrecipient.

15 And of course that's an RFP system, so  
16 we didn't get all of our questions answered  
17 in the process, so we'll probably flesh some  
18 of that out on the tail end once the awards  
19 are made.

20 ASSEMBLYMAN HEVESI: And we'll look to  
21 follow up with you just to ask those same  
22 questions. And, you know, looking to see how  
23 the first 50 is spent is not in any way  
24 precluding the fact that we go after more

1 money, because we certainly understand the  
2 need.

3 But thank you for your advice and  
4 counsel. We appreciate it, and your  
5 testimony.

6 MS. JACKSON: Thank you.

7 CHAIRWOMAN YOUNG: Thank you,  
8 Director. Appreciate you being here today.

9 SENATOR KRUEGER: Thank you.

10 CHAIRWOMAN YOUNG: Next, from the  
11 New York Public Welfare Association, Rick  
12 Terwilliger, director of policy.

13 And following that director, we have  
14 Jim Purcell from the Council of Family and  
15 Child Caring Agencies. If you could get  
16 ready, please.

17 Welcome, Director. Glad to have you  
18 here.

19 MR. TERWILLIGER: Nice to be here.  
20 Thanks for getting my name right. It's a  
21 rare thing.

22 CHAIRWOMAN YOUNG: Is it really?

23 MR. TERWILLIGER: Yes.

24 CHAIRWOMAN YOUNG: Okay. I do have

1 Terwilligers who live in my district, so I  
2 have practice. So thank you very much.

3 MR. TERWILLIGER: Good afternoon. My  
4 name is Rick Terwilliger. I'm director of  
5 policy at the New York Public Welfare  
6 Association. I'm honored to testify here  
7 before you today.

8 The NYPWA represents all 58 local  
9 districts -- departments of social services  
10 statewide. Our members are dedicated to  
11 improving the quality and effectiveness of  
12 social welfare policy so that it's  
13 accountable to taxpayers who protect  
14 vulnerable people.

15 For the sake of time, my remarks will  
16 focus on a few key budget areas, but our  
17 written testimony will delve into a little  
18 bit more detail. And I did time it; I think  
19 I can make it under five minutes.

20 Our first area of concern surrounds  
21 the issue of food, shelter, and the state  
22 safety net program. The Governor has  
23 announced plans to expand the SNAP program  
24 for more households with earned income,

1 adding a projected 750,000 eligible  
2 households. SNAP administration is a 50/50  
3 split between federal and local governments,  
4 without any state support. Therefore, NYPWA  
5 recommends that the state restore its past  
6 practice of sharing the administrative costs  
7 of this program.

8 Under the property tax cap, counties  
9 are not in a position to hire the staff that  
10 will be or may be needed, without state  
11 funding.

12 NYPWA also supports permanent low-cost  
13 supportive housing and emergency shelters.  
14 Local DSS commissioners are committed to  
15 serving people who are homeless and every  
16 other vulnerable person in New York State.  
17 The best way to keep people safe is to  
18 prevent homelessness in the first place.

19 Attached to our written testimony, on  
20 the back end of the testimony, is a broader  
21 look at the issue and NYPWA's recommended  
22 actions to meet the challenges of  
23 homelessness. One of those recommendations  
24 is our call for a restoration of the state's

1           commitment to safety net assistance. New  
2           York State only funds 29 percent of  
3           recipients' benefits, and none of the  
4           administrative expenses.

5                     The program, which is entirely  
6           controlled by the state, was funded at a  
7           50/50 state and local share until five years  
8           ago. The time has come to gradually restore  
9           the 50/50 share of funding.

10                    A second area of concern revolves  
11           around issues affecting childcare and child  
12           welfare. Recent changes to the federal Child  
13           Care and Development Block Grant Act are  
14           designed to promote stability and quality but  
15           were delivered without the necessary  
16           financial support. Although well-  
17           intentioned, efforts to promote quality  
18           childcare may shift funding away from other  
19           struggling families who may stay on childcare  
20           wait lists longer.

21                    Due to the property tax cap, most  
22           counties are not able to raise funds to pay  
23           for additional childcare. As the state  
24           considers how to best address childcare

1 needs, it is important not to take the funds  
2 away from other social services and child  
3 welfare programs that serve families in need.

4 On juvenile justice issues, NYPWA  
5 supports efforts to raise the age of juvenile  
6 jurisdiction to age 18, and the Governor's  
7 commitment to fund 100 percent of the costs  
8 associated with this change. Attached to our  
9 testimony -- towards the back end again -- is  
10 a list of several recommendations regarding  
11 the Raise the Age issue.

12 However, it is important to note that  
13 in the past the state has stepped back from  
14 its original financial support for programs  
15 serving the needy. Therefore, statutory  
16 language may be needed to hold counties  
17 harmless for the costs associated with Raise  
18 the Age. Fiscal caps must also be removed  
19 for foster care and youth detention as part  
20 of that reform.

21 In addition, Raise the Age will shift  
22 the burden of care to the child welfare  
23 system, making it all the more important to  
24 fund services to contain that expense and to



1 keep children from harm. That's why the  
2 NYPWA supports continued open-ended funding  
3 for child preventive and protective services  
4 and calls for a return to the prior 65/25  
5 state and local share of the funding levels.

6 In closing, the NYPWA wishes to thank  
7 the Legislature for its leadership in  
8 bringing attention to the challenging fiscal  
9 and policy issues affecting social services.

10 Thank you.

11 SENATOR KRUEGER: Assembly?

12 ASSEMBLYMAN HEVESI: {Inaudible mic}.

13 Thank you for your testimony. Wow, that was  
14 aggressive.

15 (Laughter.)

16 ASSEMBLYMAN HEVESI: Let me start by  
17 suggesting to you one piece of your  
18 testimony, the safety net, since the Assembly  
19 is taking a very hard look at the rationale  
20 behind those percentages and maybe even  
21 beyond even the reason for the way it's  
22 funded right now. We will get back to you on  
23 that.

24 And I will tell you that, under the

1 leadership of my colleague Chairwoman  
2 Lupardo, that we are going to be very  
3 aggressive as well about the impact of the  
4 federal Child Care Block Grant. We will not  
5 leave it as it was proposed in the Executive  
6 Budget.

7 So I very much appreciate the other  
8 issues that you raised, and those two in  
9 particular, and I look forward to working  
10 with you in the future.

11 MR. TERWILLIGER: Thank you.

12 SENATOR KRUEGER: Thank you.

13 Senator Montgomery.

14 SENATOR MONTGOMERY: A brief question.  
15 Thank you for including Raise the Age in your  
16 testimony as being one of the issues that  
17 you're intending to focus on.

18 I'm just wondering if you have looked  
19 at some of the ramifications of Raise the Age  
20 as it relates to the community where these  
21 young people generally will be -- come from  
22 now and will be hopefully able to remain.  
23 What do we need to do to make sure that we're  
24 able to support them and sustain them being

1 out of the system?

2 MR. TERWILLIGER: Right. There's  
3 going to be a big influx of 16- and  
4 17-year-olds back into the child welfare  
5 system. So those services that will be  
6 needed to turn things around for their lives  
7 need to be in place. That's why the 100  
8 percent funding by the state is so vital.  
9 And that extends through all types of  
10 preventive services.

11 So as we move forward, it's still a  
12 little bit unclear at this point how that  
13 that's going to play out. Our association is  
14 very concerned that the state does their part  
15 and fulfills their obligation to meeting all  
16 the preventive and all the other services  
17 that this group of kids are going to need.

18 SENATOR MONTGOMERY: So I would hope  
19 that one of the things that will happen,  
20 based on the discussion around Raise the Age,  
21 is that we begin to work on a plan for  
22 accommodating this new policy in the best  
23 interests of the children that we're trying  
24 to help.

1                   MR. TERWILLIGER: Absolutely.

2                   SENATOR MONTGOMERY: So I look forward  
3 to work with you as well.

4                   MR. TERWILLIGER: Thank you.

5                   SENATOR MONTGOMERY: Thank you.

6                   SENATOR KRUEGER: Thank you. Just one  
7 comment. Some of us sit here day in, day  
8 out, through all of these hearings. Looking  
9 around, Senator Savino and I win the award, I  
10 think, so far.

11                   So two themes that you actually hit on  
12 in your testimony without necessarily  
13 realizing you were hitting on them was two  
14 things I've seen from throughout all the  
15 hearings. One, the state continues not to  
16 invest in its infrastructure at the local  
17 level or recognize that local governments are  
18 actually the women and the men who actually  
19 deliver the service to the real people.

20                   And two, we keep balancing our budget  
21 by putting more and more of the costs on you.  
22 So I appreciate that your testimony laid out  
23 on a number of different categories how we  
24 have reduced the formula match to the

1 counties, and again, even more so to the City  
2 of New York.

3 You also pointed that out in your  
4 testimony, that we keep just shifting more of  
5 the burden to you all and pretending that  
6 we're reducing our funding streams or costs  
7 for these programs. We're not reducing the  
8 costs of delivering the services, we're just  
9 making you pay more of it. And you of course  
10 have your own caps to deal with. So I  
11 appreciate your going through and reminding  
12 us all of some of the history of what used to  
13 be 50/50 matches and are now radically  
14 changed. So I appreciate your reminding us  
15 all of that. Thank you.

16 MR. TERWILLIGER: Thank you, Senator.

17 SENATOR KRUEGER: And our next  
18 testifier, Jim Purcell from the Council of  
19 Family and Child Caring Agencies.

20 And if people want to move down, if  
21 they're following their schedule, after that  
22 will be Renee Smith, New York State  
23 Children's Alliance, followed by Stephanie  
24 Gendell of the Citizens Committee for

1 Children of New York.

2 Hi.

3 MR. PURCELL: Hi. Thank you. I am  
4 Jim Purcell. I'm the CEO of the Council of  
5 Family and Child Caring Agencies. We have  
6 about a hundred nonprofit agencies across the  
7 state that provide foster care, family  
8 preventive support services, juvenile justice  
9 services, and adoption. And we appreciate  
10 this opportunity to speak with you today.

11 I will actually stop in mid-sentence  
12 at five minutes, because I can't imagine the  
13 last two weeks that most of you have spent  
14 here.

15 So I think that -- I just want to  
16 outline. I'm going to skip the testimony;  
17 you've got it. I trust you're all going to  
18 read it, you know, because you may not be  
19 able to sleep tonight, so I recommend it.

20 We have a couple of key priorities  
21 related to foster care this year. One is we  
22 so appreciate the support that the  
23 Legislature gave us last year after the  
24 budget in getting the first rate increases

1 for foster care in seven years. They were  
2 greatly appreciated. It was 2 percent, but  
3 as people on our boards of directors said, at  
4 least they were reminded that the state  
5 actually cares. And they had begun to lose  
6 hope in that, and so that was vitally  
7 important.

8 This year our first request, frankly,  
9 is that you continue to do that. We  
10 recognize that there is a -- the human  
11 service COLA is back in the budget this year.  
12 But that was not a typo. It's -- I thought  
13 it was a typo, I told my members it was a  
14 typo, but it's actually .002. On a \$35,000  
15 annual salary, that's \$70 a year, which is  
16 about \$2.57 in every paycheck. Which may or  
17 may not get you a cup of coffee once every  
18 two weeks.

19 So while we appreciate it, we need to  
20 begin to restore the salaries that we've lost  
21 over the last seven years when there were no  
22 adjustments in the rates.

23 Which brings us to the minimum wage.  
24 As others here have testified, the nonprofit

1 agencies are concerned about the impact of  
2 the minimum wage and how they'll fund it for  
3 their staff, but there can be no doubt that  
4 we support the increases. In our case,  
5 virtually all the families that we work with  
6 are poor or very poor. How could we say, No,  
7 we shouldn't increase the minimum wage, when  
8 we're working with families who can't pay  
9 their rent, they run out of food stamps and  
10 they stop feeding their kids because maybe  
11 the food pantry said, Don't come back here  
12 again?

13 And it's our job in our preventive  
14 services to work with those families and say,  
15 No, you can go back there again. But that's  
16 our answer. The refrigerator breaks; we  
17 can't help replace it.

18 So the families we work with who are  
19 working -- and many of them are -- deserve to  
20 be paid a salary on which they can try to  
21 support their families. At the same time, we  
22 have a lot of workers who are making way  
23 under \$15 an hour. We're currently doing  
24 some analysis with our hundred members to see



1           what they think it will cost. I think the  
2           cost in the first year will be relatively  
3           minimal because right now, although, with the  
4           fact that the fast-food workers just got  
5           their first minimum wage, we're now competing  
6           directly, dollar for dollar, with Ben &  
7           Jerry's and Dunkin' Donuts for the people who  
8           will care for our kids who have some pretty  
9           serious problems.

10                   We too are looking for some additional  
11           capital investment. Because of all those  
12           rate freezes over the last seven years, we've  
13           deferred a lot of maintenance. Our lengths  
14           of stay for kids in residential care are  
15           getting shorter, which means we're moving  
16           more and more 15- and 16- and 17- and  
17           19-year-old kids through buildings which are  
18           quite old, and kids that age, the buildings  
19           and the furniture pay a price. And so we  
20           need to reinvest in that.

21                   And finally, we're looking for a  
22           million dollars to begin to try to support  
23           our workers in getting degrees -- a  
24           bachelor's degree for some of our childcare

1           staff, a master's degree for some of our  
2           caseworkers -- and for some loan forgiveness.  
3           So a million is just a way to start this, I  
4           think. Child welfare is sort of an  
5           entry-level position for people coming out of  
6           school, out of high school with an  
7           associate's degree, like the Senator here  
8           who's done so well.

9                     But they often -- they spend a couple  
10           of years with us. They've just developed the  
11           ability to gain the trust of some of these  
12           kids we're working with, and then they say,  
13           Look, I just have to leave, my \$300 a month  
14           student loan bill is just not something I can  
15           pay when I'm making \$33,000 a year.

16                    There are several other pieces in the  
17           budget that I want to reference. The  
18           Governor included -- we are thrilled with  
19           language that would create some protection  
20           for our foster parents and childcare workers  
21           who last year you required that they begin to  
22           use a reasonable and prudent parenting  
23           standard. That means not saying no to  
24           everything a kid asks for, like can I go on a

1 sleep over with all the rest of the girls in  
2 my class, because it's Judy's birthday, and  
3 we say: No, you can't, because we need to do  
4 an SCR clearance on their parents.

5 Or "I can't play on the school soccer  
6 team." We need a little bit of protection  
7 here, or that language is going to turn out  
8 not to mean very much. As there will be  
9 lawsuits, because somebody will get hurt  
10 playing soccer, and then there will be a  
11 lawsuit about it. And we need to support  
12 these volunteers in doing that.

13 And I'm going to stop, although I have  
14 a number of other things to talk to you  
15 about.

16 SENATOR KRUEGER: Senator Diane  
17 Savino.

18 SENATOR SAVINO: Thank you.

19 And, Jim, thank you for your  
20 testimony.

21 And, you know, I'm not going to harp  
22 on the issue of the minimum wage and the  
23 effect on the agencies, because I'm getting  
24 tired of hearing myself think.



1 decisions about very complicated drug  
2 problems with families. And how can you  
3 recruit and retain people if this is the only  
4 thing you can pay them?

5 MR. PURCELL: It's an increasing  
6 challenge. Sheila spoke, I thought, really  
7 well to the fact that where we've seen  
8 increases in foster care -- the foster care  
9 numbers are at record low numbers. I've been  
10 doing this for --

11 SENATOR SAVINO: That's because of  
12 very good preventive services.

13 MR. PURCELL: Because of preventive  
14 services. But now our preventive services  
15 workers are working with families that used  
16 to be in foster care. And you're right,  
17 where the parents are using opiates, that  
18 creates a huge challenge.

19 Just last week I asked 10 of our  
20 New York City executive directors if they too  
21 were seeing the impact of heroin and opiates,  
22 because we hear it upstate all the time.  
23 Interestingly -- now, I only had 10 people in  
24 the room, and the answer back was not a huge

1 impact that we're seeing in Brooklyn or the  
2 Bronx, but a big impact in Queens and Staten  
3 Island. I don't know what that means yet,  
4 it's not a scientific study, it was just a  
5 question that I asked. And the people who  
6 work in those two bureaus both responded that  
7 they're seeing more and more of the impact.

8 SENATOR SAVINO: Well, unfortunately,  
9 Staten Island has earned the dubious  
10 distinction of being the heroin capital of  
11 the state right now.

12 But I do think we're going to see a  
13 corresponding rise in placements or more  
14 intensive social services. So I think, you  
15 know, we've got to make sure that we provide  
16 enough assistance to your agencies so that  
17 you can do that kind of work.

18 I'm very happy to see you include the  
19 idea of a child welfare worker tuition  
20 forgiveness. As you know, I think it was  
21 about six years ago --

22 MR. PURCELL: Yeah.

23 SENATOR SAVINO: -- we started the  
24 Social Work Loan Forgiveness Program. It's

1           been somewhat successful, because again,  
2           we're -- you know, it's hard to keep social  
3           workers in the public sector, even in the  
4           nonprofit sector, because this pay is not a  
5           lot and, you know, the tuition for graduate  
6           school is about \$40,000 on average. And the  
7           starting salary for a social worker in these  
8           fields is about \$40,000, on average.

9                     MR. PURCELL: That's right. Actually,  
10           with master's degrees, it's still lower than  
11           40 right now.

12                    SENATOR SAVINO: In the city, for city  
13           social workers, it's about 40. In your  
14           agencies, it's lower.

15                    MR. PURCELL: Yeah.

16                    SENATOR SAVINO: And I do agree we  
17           should try and add child welfare workers into  
18           this, and I look forward to talking to you  
19           about ways to kind of expand this tuition  
20           loan forgiveness program, because it is  
21           important that we attract people to this  
22           field. And if we can't raise the salary,  
23           maybe we should lower their debt.

24                    MR. PURCELL: You know, the state has

1 funded loan forgiveness programs for  
2 engineers, for farmers, for 10 or 12  
3 different professions, and this would be an  
4 opportunity to keep some of these people who  
5 have spent a couple of years, whose heart is  
6 still in the work with these kids, but who  
7 just can't do it.

8 And I'm glad you mentioned Raise the  
9 Age, because Senator Montgomery will get mad  
10 that I didn't mention it, but it was the next  
11 thing on my list, Senator.

12 SENATOR SAVINO: But on the loan  
13 forgiveness, since we already have one  
14 created for social workers, it might be  
15 easier just to expand it from social workers  
16 to child welfare workers as well, so we don't  
17 have to create a whole new program. I mean,  
18 I think we should talk about that.

19 MR. PURCELL: Absolutely. Our  
20 proposal is very much modeled after the  
21 programs that already exist. And I agree  
22 with you, we don't need a second mechanism if  
23 the mechanism is already existing.

24 SENATOR SAVINO: Right. Great. Thank



1           you.

2           MR. PURCELL: Thank you.

3           SENATOR KRUEGER: Thank you.

4           Assembly?

5           ASSEMBLYMAN HEVESI: Mr. Purcell, good  
6           to see you.

7           MR. PURCELL: Good to see you again.

8           ASSEMBLYMAN HEVESI: And I'd like to  
9           thank you for all of your advice and guidance  
10          that stemmed from an Assembly roundtable that  
11          we did together.

12          MR. PURCELL: Thank you for asking.

13          ASSEMBLYMAN HEVESI: No, my pleasure.

14          So I wanted to also express some  
15          similar sentiments, that we are very happy  
16          with the Governor putting in the reasonable  
17          and prudent parenting standard in the  
18          Executive Budget. That's a fantastic step.

19          And I just want to say I hear you on  
20          the rate increases and understand the  
21          particular nature of how that would impact  
22          your agencies and your workers who we  
23          desperately need to keep providing the  
24          services that they are providing.

1                   And I look forward to continuing to  
2                   work with you on issues like MSAR and some of  
3                   the others that you raise.

4                   MR. PURCELL: We look forward to it.

5                   ASSEMBLYMAN HEVESI: But I just want  
6                   to say a personal thank you. I don't have  
7                   any questions --

8                   MR. PURCELL: I think we're on speed  
9                   dial.

10                  ASSEMBLYMAN HEVESI: We are on speed  
11                  dial, which is great. And I appreciate the  
12                  advice.

13                  MR. PURCELL: Thank you.

14                  SENATOR KRUEGER: Senator Montgomery.

15                  SENATOR MONTGOMERY: Thank you. I  
16                  didn't see in your testimony where the Raise  
17                  the Age is. But I'll just ask very quickly,  
18                  could we get a list or some idea of which of  
19                  your members actually are in the -- I guess  
20                  the front end of the Raise the Age issue? In  
21                  other words, trying to look at building the  
22                  infrastructure in the community --

23                  MR. PURCELL: The diversion end of it.

24                  SENATOR MONTGOMERY: Yes, diversion.

1 Yes, exactly.

2 Could we have some sense -- could I  
3 get that from you?

4 MR. PURCELL: Of course. Not right at  
5 this moment I can't, but we will get it back  
6 to you.

7 SENATOR MONTGOMERY: Exactly. I would  
8 appreciate that, because we're going to need  
9 a lot more of that discussion.

10 MR. PURCELL: Yeah, and they report  
11 that they've been quite successful in keeping  
12 a number of these kids safely at home without  
13 recommitting offenses, working with their  
14 families. So a number of evidence-based  
15 models being used in those programs as well.

16 SENATOR MONTGOMERY: Yes. Yes. And  
17 families really are going to need a lot of  
18 support with that, I think.

19 And the last part of my question is on  
20 the whole issue of foster care. Where are we  
21 in terms of supporting young people who are  
22 out of foster care but still need housing,  
23 need a lot of supports, they're not ready to  
24 just go off and be on their own?

1                   MR. PURCELL: I think that's one of  
2                   the huge issues. And you know, again,  
3                   we're -- even as we all begin to try to work  
4                   across lines, not be so siloed, the fact is a  
5                   number of kids stay in foster care until  
6                   they're 21. New York State has always  
7                   allowed that. I'm very proud of that. Other  
8                   states are still struggling with it, in some  
9                   cases.

10                   But whether you just throw kids out at  
11                   18 or you tell them they've got to leave at  
12                   21 -- you know, somebody just told me that  
13                   the average age across the state, all income  
14                   levels, for children becoming independent of  
15                   their parents is closer to 26 or 27 now. And  
16                   yet these kids, who don't have that parental  
17                   resource behind them, are -- you know, we get  
18                   them an apartment, we get them a job, but  
19                   typically there's two or three kids sharing  
20                   an apartment, and all it takes is one of them  
21                   losing their job and then they don't pay the  
22                   rent and they lose the apartment, and then  
23                   the second one loses his or her job.

24                   So we've got to find a better way for

1           some transitional services. Nobody wants to  
2           keep these kids in care after they're 21.  
3           That is not -- that is never part of our  
4           agenda. But cutting off all the supports --  
5           so in many ways, and I'm no expert on  
6           supported housing, but using supported  
7           housing, perhaps tying in the child welfare  
8           caseworker support into that so that we can  
9           help these kids stay on track and, frankly,  
10          help them with those short-term emergencies.

11                     I mean, how many kids would not end up  
12          back in a homeless shelter if in fact when  
13          the third kid in the apartment lost his job  
14          and couldn't pay the rent, we were somehow  
15          able to subsidize that until either somebody  
16          got him another job or we moved another young  
17          person in there with a job?

18                     We end up with three kids in homeless  
19          shelters because of one unforeseen --  
20          although job losses and a fire in an  
21          apartment is not so unforeseen. But that's  
22          where those numbers come from. We're not  
23          discharging kids to homeless shelters, we're  
24          discharging them to apartments. But somebody

1           just -- one of my own execs just showed me  
2           data that said that the failure rates in  
3           NYCHA for former foster care kids is higher  
4           than for any other segment of their  
5           population that they target.

6                     We've got to figure out how to -- I  
7           mean, now that we know that, let's do  
8           something with that information.

9                     SENATOR MONTGOMERY: Thank you.

10                    MR. PURCELL: Thank you.

11                    SENATOR KRUEGER: Thank you.

12                    Assembly?

13                    ASSEMBLYMAN HEVESI: Chairwoman  
14           Lupardo.

15                    ASSEMBLYWOMAN LUPARDO: Yes, thanks.

16                    Hi, Jim.

17                    MR. PURCELL: Hi.

18                    ASSEMBLYWOMAN LUPARDO: In your  
19           testimony you said that there are 60  
20           residential foster care programs in need of  
21           capital investment.

22                    MR. PURCELL: We surveyed -- like  
23           Michelle mentioned a few minutes ago, we  
24           surveyed four of our agencies last fall who

1           were working with us on a workgroup about if  
2           they could apply for all the funds they  
3           needed for capital -- which is mostly  
4           deferred maintenance, but it also includes --  
5           the Justice Center often indicates cases and  
6           then tells the agencies they ought to  
7           purchase cameras to put in public areas. A  
8           number of our agencies have been able to do  
9           that; some have not, they don't have the  
10          money. So they might want to put cameras in  
11          public areas, which tends to make the kids  
12          and the staff safer.

13                         And a number of our residential  
14          programs were built with a cottage that had  
15          two kids in a bedroom, or maybe three. We're  
16          not serving kids today in residential care  
17          who we should be putting two and three in a  
18          room. So they need to not build a new  
19          building, but they need to remodel the  
20          cottage that they're using so that we get  
21          maybe eight or nine single rooms instead of  
22          four or five double or triple rooms.

23                         We surveyed four agencies; they came  
24          up with \$9 million of requests. So our

1 request was for \$15 million this year,  
2 \$15 million next year. That would be 30. If  
3 I just extrapolated that out, I would have  
4 been saying \$120 million. But I'm willing to  
5 recognize that perhaps the state wouldn't  
6 think some of the things our agencies  
7 identified were such high priorities. A  
8 little competition isn't the worst idea in  
9 the world. But the \$50 million last year  
10 across all of human services is just so far  
11 from being enough. And so we need an  
12 increase in that.

13 Let me say, in response to some  
14 concerns I've heard, whether that was  
15 15 million for the child welfare system or  
16 whether that was 100 million for human  
17 services, I defer to your judgment on that.  
18 We just need some money, access to some money  
19 to improve these programs.

20 ASSEMBLYWOMAN LUPARDO: I hear you.

21 Do you know how many of the 60 applied  
22 for the \$50 million?

23 MR. PURCELL: I don't know that yet.

24 Actually, I think the proposals were just



1 due. They extended it a couple of times.  
2 The Human Services Council mentioned a couple  
3 of the problems. You know, you might gotten  
4 \$20,000 in a HEAL grant three years ago and  
5 that disqualified you from filing here, which  
6 doesn't really make any sense.

7 ASSEMBLYWOMAN LUPARDO: So have you  
8 ever had a capital improvement funding line  
9 in the budget?

10 MR. PURCELL: No.

11 ASSEMBLYWOMAN LUPARDO: This would be  
12 something new?

13 MR. PURCELL: The only thing that's  
14 related to us at all in that regard were many  
15 of our schools were written into DASNY and  
16 got DASNY-funded new school buildings 15 and  
17 20 -- 20 years ago or so. That's been the  
18 only capital funding for any of these  
19 residential programs.

20 ASSEMBLYWOMAN LUPARDO: So how have  
21 they been doing any capital improvements?

22 MR. PURCELL: Try to raise some money  
23 and name a building after somebody who wants  
24 to give you some money.

1                   We don't have a lot of people who want  
2                   to give us that kind of money.

3                   ASSEMBLYWOMAN LUPARDO: Thank you.

4                   SENATOR KRUEGER: I want to thank  
5                   you -- oh, excuse me. We have one more.

6                   Roxanne Persaud.

7                   SENATOR PERSAUD: Good afternoon. One  
8                   quick question for you.

9                   I see that you're advocating for many  
10                  things in the foster care system, but I just  
11                  don't see anything specifically about kinship  
12                  care, which is a growing issue.

13                  MR. PURCELL: It's part of the foster  
14                  care system. It's funded through foster  
15                  care. In fact, too much of it's funded  
16                  through foster care right now. The KinGAP,  
17                  which is built -- has grown more slowly than  
18                  either we or at least New York City would  
19                  have expected it to, and ACS is now working  
20                  with our agencies to try to clear some of the  
21                  hurdles out of the way for KinGAP, which  
22                  would allow some of the kids in kinship  
23                  foster care to be permanently discharged to  
24                  their relatives, where the conclusion is that

1           that family no longer needs caseworkers and  
2           all of that.

3           The problem from a structural  
4           perspective is when that got approved several  
5           years ago, the funding was stuck into the  
6           foster care block grant, which was a fine  
7           short-term expedient. The problem is that as  
8           it grows, that means that a larger and larger  
9           part of what should be funding foster care is  
10          funding families that are now out of foster  
11          care.

12          There's a separate appropriation for  
13          adoption subsidies. We ought to move the  
14          KinGAP program into the same funding stream  
15          as the adoption subsidies and stop --  
16          frankly, it takes money away from the  
17          counties again, the point that was just made  
18          with regard to the prior speaker.

19                 SENATOR PERSAUD: Thank you.

20                 SENATOR KRUEGER: I want to thank you  
21          for your testimony today.

22                 MR. PURCELL: Thank you.

23                 SENATOR KRUEGER: And I just want to  
24          throw in, when Velmanette -- Senator

1           Montgomery was discussing the issues and you  
2           were answering about ending up putting kids  
3           from foster care into the homeless shelters,  
4           I've always thought we should just pay for  
5           them to go to college.

6                     MR. PURCELL:  Actually, one of the  
7           things we're supporting is --

8                     SENATOR KRUEGER:  It's got to be a lot  
9           cheaper than any of these other ridiculous  
10          stories.

11                    MR. PURCELL:  Absolutely.  And you  
12          funded -- this is amazing to me, but you  
13          funded last year a million and a half dollars  
14          for FYSA, the Fostering Youth Success in  
15          college.  That money was included in the  
16          Governor's budget this year.  And those of us  
17          who follow state budgets know that it doesn't  
18          matter much who the Governor is, they seldom  
19          put in what the Legislature has added.  I see  
20          that as they saw this was a great idea too.  
21          I think everybody did.  I think the group  
22          putting that together has done a fantastic  
23          job.  They're back asking for increase to  
24          support some additional kids this year, and

1 we support that as well.

2 But you're absolutely right, we could  
3 get these kids into college instead of  
4 homeless shelters, we get our workers to stay  
5 longer on the job than the kids stay in  
6 foster care, the kids will stay a lot shorter  
7 because they won't keep changing workers.

8 So thank you.

9 SENATOR KRUEGER: Thank you.

10 Our next testifier is Renee Smith,  
11 chair of the board, New York State Children's  
12 Alliance.

13 CHAIRWOMAN YOUNG: Welcome.

14 MS. SMITH-ROTONDO: Thank you. Thank  
15 you for having me.

16 Good afternoon, and as I said, thanks  
17 for this opportunity. My name is Renee  
18 Smith-Rotondo. I am the chair of the  
19 New York State Children's Alliance, which is  
20 the membership organization for New York  
21 State's 40 Child Advocacy Centers, and I am  
22 here representing our membership to ask again  
23 for your support for the critical work that  
24 we do with child victims of abuse.

1                   But first I want to thank this body  
2                   for its strong support of our programs. In  
3                   2014, you added a legislative appropriation  
4                   of \$2.57 million to the state budget that  
5                   year that greatly helped our programs provide  
6                   immediate responses and quality services to  
7                   our child victims. And then last year you  
8                   again added that same amount to the 2015-2016  
9                   budget. So we are really grateful that you  
10                  recognize the importance of the work that we  
11                  do in our communities and the children and  
12                  families that we serve.

13                  This year NYSCA submitted a formal  
14                  request to the Governor's office to, at a  
15                  minimum, include that funding in this year's  
16                  budget, and unfortunately the proposed  
17                  2016-2017 budget does not include these  
18                  funds. So the result is that we are here  
19                  again to ask for your support in maintaining  
20                  state funding for CACs at at least the level  
21                  of last year's funding, which was  
22                  \$7.779 million.

23                  You have been very generous to our  
24                  mission over the years, and in a very real

1 sense what we ask you to invest in is really  
2 the children of our state. We work with one  
3 of the most vulnerable populations, abused  
4 children. And last year we saw approximately  
5 18,000 children in our 40 programs -- 18,000.

6 We understand that, as you have to  
7 decide where to put your state dollars, that  
8 you need to consider return on your  
9 investments. So I just wanted to take my  
10 time here to run through a few things that  
11 you could expect to get from investing in our  
12 Child Advocacy Centers.

13 The first thing is that we provide a  
14 proven, effective approach to child abuse  
15 cases by employing a collaborative,  
16 multi-disciplinary approach to these cases.  
17 We have team members that are specially  
18 trained in all types of services and all  
19 aspects of these cases, and the team works  
20 collaboratively to provide an immediate  
21 response in a safe and comfortable  
22 environment for the children and the families  
23 who are coming in having been subjected to  
24 trauma.

1                   Secondly, what you can expect in  
2                   return for the investment is programs that  
3                   now use a single state-of-the-art case  
4                   tracking system that allows us to monitor our  
5                   cases, collect data, analyze that data,  
6                   determine if there are patterns, trends,  
7                   gaps, and then adjust our programs  
8                   accordingly.

9                   Third, we have centers that now have  
10                  the ability to survey our clients for their  
11                  feedback on the services that we provide  
12                  through the use of a web-based outcome  
13                  measurement system that allows all of our  
14                  programs to see how they're responding to the  
15                  community's needs and adjust accordingly.

16                  And you can also expect that we share  
17                  all of these program dollars with a myriad of  
18                  agencies in our communities that have an  
19                  obligation to respond to a child abuse case.  
20                  So your support provides cutting-edge  
21                  training and equipment to prosecutors, to law  
22                  enforcement, to child protection, child  
23                  protective workers, to victim advocates,  
24                  mental health and medical health providers.



1           We share our dollars with our very dedicated  
2           team members, and the result is that we have  
3           a better, more immediate response when we  
4           need to respond to a case.

5                     And further, we are -- oh, and I'm out  
6           of time. I'm pretty much reading --

7                     SENATOR SAVINO: Sure, if you could --  
8           if you could just continue --

9                     MS. SMITH-ROTONDO: I'll just --

10                    CHAIRWOMAN YOUNG: Sure. A little  
11           bit. But, if you could summarize, that would  
12           be helpful.

13                    MS. SMITH-ROTONDO: I'll just -- okay,  
14           I'll just finish by saying our programs are  
15           really expert at responding to trauma, and  
16           there's a whole section in my testimony about  
17           when you are able to address trauma at a  
18           young age and how much that helps a person  
19           later on in life in terms of health, and that  
20           we're not re-traumatizing children in our  
21           programs because we provide the type of  
22           multidisciplinary, sensitive approach that's  
23           very helpful to them.

24                    I could go on. The returns, I think,

1           are obvious for the investment in our  
2           programs. We ask you to continue to support  
3           us the way you have been. We are very, very  
4           appreciative. We do this hard work every  
5           single day, and we see these children every  
6           single day -- they come in traumatized, as do  
7           their families. And we could really use the  
8           support, the financial support, from the  
9           state to be able to continue what we do.

10                   CHAIRWOMAN YOUNG: Thank you very  
11           much, and I couldn't agree more. We have  
12           Child Advocacy Centers in Chautauqua,  
13           Cattaraugus, and Allegany Counties, and I've  
14           been personally involved with their efforts.

15                   And I remember they brought in this  
16           speaker several years ago, and it was -- I  
17           can't recall her name -- but it was one of  
18           the most notorious child abuse cases from the  
19           1950s. It was very shocking. And she was  
20           tied in a closet, severely abused; her  
21           brother was tied to the shower and was  
22           already dead, but they used to sing to one  
23           another to communicate.

24                   But she said that after she was

1 finally discovered, they had nowhere to take  
2 her except to the local police station, and  
3 she ended up spending the night in a jail  
4 cell. So if you can imagine the horror that  
5 she had been through, and the fact that  
6 that's where she ended up because there was  
7 nowhere to put her -- really, it's something  
8 that takes your breath away.

9 So I want to thank you for what you  
10 and your member organizations do to take  
11 children who are abused into a safe, homelike  
12 setting -- multidisciplinary, as you said,  
13 healthcare, law enforcement, counselors all  
14 working together on behalf of the children.  
15 And I think it's an extraordinarily  
16 compelling and important program. So I want  
17 to thank you for your testimony today.

18 MS. SMITH-ROTONDO: Thank you. And I  
19 just want to say that I was going to include  
20 stories, but I knew there wasn't time, so  
21 yours was perfect.

22 CHAIRWOMAN YOUNG: We're all set.  
23 Thank you so much.

24 SENATOR KRUEGER: Thank you.

1 MS. SMITH-ROTONDO: Thank you.

2 CHAIRWOMAN YOUNG: Our next speaker,  
3 Stephanie Gendell, Esquire -- oh, I'm sorry.

4 Velmanette, if you have a question,  
5 sure.

6 SENATOR MONTGOMERY: I only wanted to  
7 identify -- I just only wanted to identify  
8 the fact that the New York State Children's  
9 Alliance is located in my district.  
10 320 Schermerhorn Street is around the corner  
11 from my office. So welcome.

12 MS. SMITH-ROTONDO: That is the Child  
13 Advocacy Center in your district --

14 SENATOR MONTGOMERY: Yes. I just  
15 wanted to acknowledge that.

16 MS. SMITH-ROTONDO: Gena is here, but  
17 would not come down with me --

18 SENATOR MONTGOMERY: Who is here?

19 MS. SMITH-ROTONDO: -- who runs that  
20 Child Advocacy Center.

21 SENATOR MONTGOMERY: Who is here from  
22 there?

23 CHAIRWOMAN YOUNG: Raise your hand.

24 MS. SMITH-ROTONDO: Gena Diacomanolis.

1                   SENATOR MONTGOMERY: Oh, there.

2                   Hello. Welcome.

3                   MS. SMITH-ROTONDO: She's on the board  
4                   as well.

5                   SENATOR MONTGOMERY: Thank you.

6                   MS. SMITH-ROTONDO: Thank you.

7                   CHAIRWOMAN YOUNG: Thank you, Senator.

8                   Next is Stephanie Gendell, Esq.,,  
9                   associate executive director for policy and  
10                  government relations from the Citizens'  
11                  Committee for Children of New York. Glad to  
12                  have you here.

13                  And following you there will be David  
14                  Voegele, executive director, the Early Care  
15                  and Learning Council. So if you could get  
16                  ready.

17                  MS. GENDELL: Good afternoon. I'm  
18                  Stephanie Gendell, from Citizens' Committee  
19                  for Children.

20                  We don't accept any government  
21                  funding, so I'm not asking for any funding  
22                  for myself. However, we are multi-issue, so  
23                  I actually have a slew of --

24                  CHAIRWOMAN YOUNG: Could you summarize

1           it, though? Because I see --

2                   MS. GENDELL: Oh yeah, yeah. Of  
3           course.

4                   CHAIRWOMAN YOUNG: -- that you have  
5           some thick testimony here.

6                   MS. GENDELL: Yeah, yeah, I was  
7           actually going to say -- and I'm going to  
8           mention as many as I can in five minutes.

9                   CHAIRWOMAN YOUNG: We appreciate it.  
10          Thank you.

11                   MS. GENDELL: Starting with -- we were  
12          really disappointed to see all of the cost  
13          shifts in the Governor's budget for New York  
14          City, and we urge you to reject all of those,  
15          including whatever's going on in the safety  
16          net language, which we don't fully  
17          understand.

18                   With regard to childcare, I appreciate  
19          everyone's support this morning for  
20          childcare. We discussed the \$90 million.  
21          Our estimates are that it's actually  
22          significantly higher than \$90 million,  
23          probably closer to \$190 million, to also  
24          account for the 12-month eligibility and some

1 other changes.

2 On income security, we support the  
3 raising the minimum wage, and we also ask  
4 that you ensure that state contracts include  
5 the money to actually maintain employees when  
6 they raise the minimum wage. Unlike the  
7 private market, the nonprofits can't raise  
8 prices.

9 We support paid family leave.

10 We support Raise the Age, and we urge  
11 you to use this session to raise the age. It  
12 will keep communities safer, has been proven  
13 to do so elsewhere -- as you know, we're one  
14 of only two states that treat all 16- and  
15 17-year-olds as adults, and we urge you to  
16 pass comprehensive Raise the Age legislation  
17 this session.

18 With regard to child welfare, the  
19 budget once again cuts the state's share for  
20 preventive and protective from 65 percent to  
21 62 percent. We urge you to think about  
22 restoring that funding or, instead,  
23 reallocate the 3 percent for primary  
24 preventive services. Right now, the money

1           that you get through this open-ended  
2           reimbursement scheme is for prevention where  
3           there's an open case against the family.  If  
4           you could have primary preventive services,  
5           somebody wouldn't have to have a case open  
6           and people might be more open and not  
7           concerned about the stigma.  It would also  
8           ensure that the money was used for something  
9           different and not just a cost shift.

10                    We support what Jim Purcell discussed  
11           about KinGAP, moving it out of the foster  
12           care block grant.  Also, the subsidy should  
13           go to age 21 for all young people, as well as  
14           we'd like to see the definition of "relative"  
15           consistent with the definition we use for  
16           foster care.

17                    There was some discussion about  
18           helping youth age out of foster care.  
19           Assemblymember Hevesi's bill, A7756, would be  
20           helpful in that regard.  It raises the  
21           housing subsidy from \$300 to \$600 per month  
22           and enables youth to receive it until age 24,  
23           and have roommates, and we urge you to pass  
24           that bill this session.



1           We were happy to see post-adoption  
2           language and \$5 million for post-adoption  
3           services in this bill. That's a federal  
4           requirement that we've been waiting for the  
5           state to implement. We're concerned that the  
6           appropriations language makes it sound like  
7           OCFS can use the money for whatever they'd  
8           like and also reduce it if they'd like to,  
9           and so we just urge you to make that language  
10          more specific.

11           We support adding more resources for  
12          home visiting, runaway and homeless youth,  
13          and the Summer Youth Employment Program.

14           And then -- I have so much time left  
15          that I'll end going back to one of the things  
16          I left out, which is on the income security.  
17          Helping New Yorkers save for college, we  
18          think, is critical. And the best way to help  
19          families get -- and young people get -- out  
20          of poverty ultimately is to go to college.  
21          And so we've long supported the proposal to  
22          allow New Yorkers to put a portion of their  
23          tax refund directly into a 529 college  
24          savings account at the time they do their

1 taxes, which if you get EITC, it's the only  
2 time you really have the money to do that.

3 And so we actually have the bill in  
4 both houses, A9065 and S6229, which is Hevesi  
5 and Carlucci, and we urge you to pass that  
6 bill this session. And then, once  
7 New Yorkers are able to do that, those on  
8 public assistance would need to be able to  
9 have 529s waived from the asset limit test or  
10 else they wouldn't really be able to save  
11 through this mechanism.

12 So that is the quickest summary of my  
13 18-page testimony that I could do. Thank  
14 you.

15 CHAIRWOMAN YOUNG: Thank you. Very  
16 good.

17 Any questions?

18 ASSEMBLYMAN HEVESI: Yeah, I have one.

19 CHAIRWOMAN YOUNG: Assemblyman.

20 ASSEMBLYMAN HEVESI: Thank you,  
21 Senator.

22 Yeah, I just -- there's too many  
23 things to agree on, so I'm just going to say  
24 thank you so much for all of your advice and

1 guidance. And I continue to look forward to  
2 working with you, and there should be some  
3 real results. Thank you.

4 MS. GENDELL: Thank you for your  
5 support.

6 CHAIRWOMAN YOUNG: Thank you.

7 SENATOR KRUEGER: Thank you.

8 CHAIRWOMAN YOUNG: Our next speaker,  
9 as I should say, is David Voegele, executive  
10 director from the Early Care and Learning  
11 Council, and he will be joined by Jessica  
12 Klos Shapiro, director of policy and  
13 community education.

14 Very happy to have you with us. How  
15 badly did I butcher your name?

16 MR. VOEGELE: I'm David Voegele.

17 CHAIRWOMAN YOUNG: Oh, okay. Good.

18 MS. SHAPIRO: You got mine perfectly.  
19 So thank you.

20 CHAIRWOMAN YOUNG: Okay. I'm glad to  
21 hear that. It's good when that happens.

22 MR. VOEGELE: Well, we appreciate very  
23 much the opportunity to be speaking today.  
24 The Early Care and Learning Council is the

1 state association of 35 childcare resource  
2 and referral agencies that serve every region  
3 of New York State. Our purpose is to promote  
4 excellence in early learning.

5 We do this united in purpose and in  
6 partnership with the 35 CCR&Rs. The Child  
7 Care Resource and Referral programs are in  
8 fact the linkage between the parents and  
9 providers throughout the state, between the  
10 need for childcare and the services that meet  
11 that need.

12 Parents utilize CCR&Rs to identify and  
13 obtain resources and childcare that meets  
14 their needs. Providers utilize the CCR&Rs  
15 for quality improvement, for training and  
16 technical assistance, and to access resources  
17 and to be connected to the consumers they  
18 want to reach.

19 Our CCR&Rs know where the regulated  
20 childcare exists in the regions they serve,  
21 they're aware of what capacity needs to be  
22 developed to better meet the needs of a  
23 region. Childcare is infrastructure support  
24 for children, for families, and for

1 communities. CCR&Rs are a critical tool in  
2 making that childcare available and effective  
3 throughout the state.

4 Quality childcare, which is needed in  
5 order for children to thrive, is expensive,  
6 particularly in New York State. The recent  
7 report by Child Care Aware of America in the  
8 fall of 2015 documented again how expensive  
9 it is in New York State. There's a report  
10 that I believe we may have distributed to  
11 just about everyone in the Capitol, so  
12 hopefully you do have that. But it cites --  
13 I'm just going to cite two of the factors  
14 that show up in this report.

15 One is that the average annual cost of  
16 full-time care for an infant in a childcare  
17 center is over \$14,000. For a 4-year-old,  
18 it's nearly \$12,000. Combined, for a  
19 two-child family, that would be almost  
20 \$26,000 a year in childcare costs. If you  
21 are a single parent, the average income of a  
22 single parent does not cover that. The  
23 average income of a childcare worker does not  
24 cover that.

1           So it is very expensive. New York is  
2           the least affordable state in the country for  
3           center-based care for 4-year-olds. It is the  
4           third least affordable state for center-based  
5           infant care.

6           As I've stated in a different  
7           testimony this year, the cost of a year of  
8           center-based care for an infant in New York  
9           is nearly double the cost of tuition at a  
10          public college. This is the widest gap in  
11          any state in the country. And while parents  
12          will pay about 60 percent for the childcare  
13          costs for the family, they actually only pay  
14          about 23 percent of the costs associated with  
15          a public college education, with the  
16          remainder subsidized by state and federal  
17          funds.

18          Given how expensive childcare is, in  
19          New York State in particular, if it did not  
20          have the public support that it has, parents  
21          would not be able to go to work, employers  
22          would not be able to operate or expand their  
23          businesses. There's a wonderful five-minute  
24          video circulating somewhere that we can

1 provide a link to, about -- I think it's  
2 entitled "A Day Without Childcare." And it's  
3 a very poignant demonstration of how the  
4 world collapses if there's not quality  
5 childcare available.

6           Reliable, regulated childcare  
7 increases employee attendance, punctuality,  
8 and productivity. Quality childcare is  
9 necessary for parents, for children, and for  
10 our communities.

11           This year we call upon the Legislature  
12 to invest an additional \$190 million in  
13 childcare. Ninety million dollars of this is  
14 necessary in order to cover the costs of the  
15 new health, safety, and quality initiatives  
16 required by the block grant, in order for no  
17 children to actually lose subsidies. We also  
18 are asking for \$100 million that we perceive,  
19 and our experts perceive, will be necessary  
20 to also maintain current levels of slots  
21 because of the market rate increases that are  
22 due in June of this year, and because of the  
23 new -- the expanded eligibility rules that  
24 will take effect in October of this year.

1                   What, time's up already? Wow. Okay.

2                   I'm happy to take questions. You have  
3 most of my testimony, so I don't want to go  
4 beyond the time I had allowed.

5                   CHAIRWOMAN YOUNG: I just had a couple  
6 quick questions.

7                   So we heard a lot of concern earlier  
8 today out of legislators about the Executive  
9 Budget and the fact that we have this federal  
10 \$90 million mandate that's coming down on  
11 childcare agencies. And I was wondering, you  
12 know, you're talking about increasing funding  
13 and how expensive childcare already is in  
14 New York State, and it does put working in  
15 some cases out of reach for some families, in  
16 having that ability.

17                   I was wondering what you felt the  
18 impact of the increase in the minimum wage  
19 would have on childcare providers in the  
20 state.

21                   MR. VOEGELE: We have heard from  
22 several of our CCR&Rs of concerns that  
23 providers have raised about how it would  
24 impact their payroll and their ability to



1 continue business. I heard a comment earlier  
2 today related to -- I don't believe the term  
3 "profit margin" was used, but it was a  
4 reference to how much money is being made and  
5 to what extent are providers able to cover  
6 this cost of additional wages.

7 The reality is the childcare world is  
8 not a high-profit enterprise. Many, many  
9 childcare providers already struggle. There  
10 are concerns -- we absolutely believe that a  
11 childcare worker should be making probably,  
12 on the average, \$10,000 a year more than they  
13 currently make. However, at the moment,  
14 we're not aware of a way to make that -- to  
15 accomplish that.

16 ECLC, the Early Care Learning Council,  
17 has not taken an official position on the  
18 minimum wage proposal, but we do know that  
19 some of our CCR&Rs have heard concerns from  
20 providers as to how this may in fact put them  
21 out of business.

22 CHAIRWOMAN YOUNG: Thank you.

23 MS. SHAPIRO: I just wanted to add to  
24 that, if that's possible.

1 CHAIRWOMAN YOUNG: Go ahead.

2 MS. SHAPIRO: The difference -- these  
3 campaigns that we would be supportive of are  
4 the Fiscal Policy Institute, like the 15 and  
5 Funded, because a lot of the contracts happen  
6 between childcare workers and the state. If  
7 you just mandated that a person be paid \$15,  
8 and they're not funded, we'd put businesses  
9 out and there would be less childcare  
10 available for families. So those are  
11 something we'd support.

12 Thank you.

13 CHAIRWOMAN YOUNG: Assemblyman Hevesi.

14 ASSEMBLYMAN HEVESI: Just a comment.

15 First, thank you for your testimony.  
16 But I just want to go on record and say,  
17 Ms. Shapiro, thank you for your advice and  
18 your guidance. I would not understand these  
19 issues even close to what I do now if it  
20 wasn't for your advice. So thank you very  
21 much.

22 MS. SHAPIRO: Thank you very much.

23 CHAIRWOMAN YOUNG: No one else?

24 Thank you for being with us.

1 MR. VOEGELE: Thank you.

2 MS. SHAPIRO: Thank you.

3 CHAIRWOMAN YOUNG: Our next speaker is  
4 Jenn O'Connor, cochair of Winning Beginning  
5 New York.

6 And following her we will have Kelly  
7 Sturgis, executive director of After School  
8 Works.

9 MS. O'CONNOR: Good afternoon.

10 CHAIRWOMAN YOUNG: Good afternoon.  
11 Welcome, Chair.

12 MS. O'CONNOR: They made us take the  
13 sticks out of our signs so we wouldn't use  
14 them as weapons, so I'll just hold this for  
15 you (showing).

16 I feel like I'm preaching to the  
17 choir. I want to thank you all for your  
18 attention to all of our issues today. I will  
19 say very briefly we wanted to talk today  
20 about home visiting, childcare, and  
21 after-school.

22 In terms of home visiting, nearly  
23 70,000 children a year are abused or  
24 neglected. That would fill Madison Square

1 Garden nearly four times. We know that  
2 maternal, infant, and early childhood home  
3 visiting can help to prevent child abuse and  
4 neglect.

5 We would urge you to look not just at  
6 Healthy Families and the Nurse-Family  
7 Partnership program, but also at the Parents  
8 as Teachers and the Parent/Child Home  
9 Program. These are four research-based  
10 programs, and the reason that we support them  
11 is we look across the continuums at different  
12 eligibility levels, different demographics  
13 across the state. And we are fully  
14 supportive of all four getting a little  
15 funding this year.

16 In addition, obviously we would like  
17 the \$90 million for CCDBG implementation. We  
18 disagree with the Governor's office, with  
19 their strategy, to let the feds take care of  
20 it. And so we are meeting with them about  
21 30-day amendments, but we do hope that we can  
22 come to some sort of resolution on that.

23 In particular, passing the cost of  
24 background checks down to providers is

1 unconscionable to us. We're talking about  
2 12,500 small businesses and a number of  
3 low-wage workers. One hundred million  
4 dollars for subsidies, that would just  
5 maintain the number of childcare slots right  
6 now to keep parents working.

7           And we are asking for an increase in  
8 Advantage After School funding by  
9 \$49.9 million, and also asking for a  
10 restoration of \$2 million from last year. My  
11 colleagues from After School Works and the  
12 New York State After School Network are  
13 following me immediately, so I'll let them  
14 get specific on that.

15           I will tell you that the only reason  
16 that I found after-school programming for my  
17 12-year-old a while back was calling on those  
18 folks at the After School Network to help  
19 hook me up -- because there's nothing out  
20 there, and the last thing you want is a  
21 12-year-old home alone.

22           So I thank you very much, and I'm  
23 happy to entertain any questions.

24           CHAIRWOMAN YOUNG: Senator Krueger.

1                   SENATOR KRUEGER: Thank you.

2                   You're the second testifier in a row  
3                   to bring up the fact that New York State's  
4                   early childcare is much more expensive than  
5                   anywhere else in the country.

6                   MS. O'CONNOR: Sure.

7                   SENATOR KRUEGER: We're certainly not  
8                   paying our childcare workers much more, so  
9                   why are we so much more expensive?

10                  MS. O'CONNOR: I think my colleagues  
11                  are actually better versed in that piece than  
12                  I am. I mean, what the cost of childcare  
13                  right now is what people can afford to pay.  
14                  It's not based on a real valid market rate.  
15                  So it's not based on what childcare providers  
16                  should be paid.

17                  It still ends up being much more  
18                  expensive -- I mean, you're going to pay more  
19                  for childcare than you would for a four-year  
20                  college at a state university. So there  
21                  should be something in place, we would hope,  
22                  to help with those costs.

23                  SENATOR KRUEGER: So again, your  
24                  testimony says the average cost of

1 high-quality infant care is \$14,000 per year.  
2 Implying that in other states it would be  
3 less than expensive than \$14,000 a year?

4 MS. O'CONNOR: We also have pretty  
5 good regulations around ratios, so --  
6 child-to-provider ratios, and infant care is  
7 just a lot more expensive.

8 I will say that as we move 3-year-olds  
9 into pre-K programs, we would like to see  
10 them served in community-based organizations,  
11 because that will help defer the cost of the  
12 infants and toddlers. So our concern with  
13 pre-K, while we're completely supportive of  
14 it, is to not move too many kids into  
15 school-based settings because infant and  
16 toddler care is so expensive.

17 SENATOR KRUEGER: And the older kids  
18 subsidize, in some way, the younger kids.

19 MS. O'CONNOR: Right.

20 SENATOR KRUEGER: Thank you very much.

21 CHAIRWOMAN YOUNG: Thank you.

22 Senator Montgomery.

23 SENATOR MONTGOMERY: Yes, thank you.

24 You are at least the second of the

1 testimonies that deals quite extensively with  
2 child abuse issues. And I am just -- you  
3 know, I'm interested because child abuse  
4 often is an indication, a symptom of a much  
5 larger issue in a family. And all of those  
6 stresses are being, I guess, delivered on --  
7 at the expense of a child, the children.

8 So I'm wondering where are we in terms  
9 of looking at child abuse as an indication of  
10 a much larger issue and that there is a way  
11 of beginning to deal with the larger issue --  
12 if there is a housing issue, if there is  
13 spousal abuse, if there's family violence of  
14 any sort, on and on and on.

15 Where are we in -- do we have a system  
16 that uses child abuse as an indication that  
17 we need to be doing much more with any given  
18 family situation?

19 MS. O'CONNOR: I don't think we do a  
20 good enough job of connecting the dots. I  
21 think we still look at child abuse as a  
22 punitive situation, and we don't necessarily  
23 look at poverty and homelessness and domestic  
24 violence.



1           I would love to come by with a  
2           colleague -- I sit on the board of Prevent  
3           Child Abuse New York, and I'd love to come by  
4           with the executive director and talk to you  
5           more about kind of the specifics of that.

6           But I do think programs like home  
7           visiting can help by making supported  
8           referrals to other programs. And having  
9           someone -- the benefit of home visiting --  
10          completely voluntary, but if you have someone  
11          come into your home, they're not just looking  
12          at the child that is in the program, they're  
13          looking at the whole structure and they're  
14          looking at all the people in the home and  
15          around the home, and they're sometimes really  
16          good first responders.

17          But I would love to talk to you  
18          offline about some more specifics.

19          SENATOR MONTGOMERY: I would love to  
20          talk to you about that.

21          There was a very, very outstanding  
22          issue in my own district with a child that  
23          was killed, and one of the indicators for  
24          that -- for stress in that family was that

1 the child missed so many school days.

2 And so there are things that it seems  
3 to me we could do to act, as you know -- to  
4 have an emergency response team, so to speak,  
5 to a crisis that a family is experiencing,  
6 which we know could very well, probably would  
7 lead to child abuse or the death of a child.

8 And so I look forward to working with  
9 you. We've tried to do that. There are some  
10 other places where that's done, and it makes  
11 a tremendous difference in dealing with the  
12 whole -- the degree to which child abuse and  
13 child homicides have become so prevalent.

14 MS. O'CONNOR: Sure.

15 SENATOR MONTGOMERY: And we're  
16 concerned about that, so I look forward to  
17 working with you.

18 MS. O'CONNOR: That would be  
19 fantastic.

20 SENATOR MONTGOMERY: If you don't  
21 mind.

22 MS. O'CONNOR: I think it could  
23 definitely work to shore up the safety net.

24 SENATOR MONTGOMERY: Thank you.

1 MS. O'CONNOR: Thank you.

2 CHAIRWOMAN YOUNG: Thank you, Senator.

3 Thank you very much for your testimony  
4 today.

5 Our next speakers are from After  
6 School Works/The New York State After School  
7 Network, and that would be Kelly Sturgis,  
8 executive director, and Alli Lidie, deputy  
9 director.

10 Thank you for being here.

11 MS. STURGIS: Thank you.

12 Good afternoon. I'm Kelly Sturgis,  
13 the executive director of After School Works  
14 New York/The New York State After School  
15 Network. And first, not only do we want to  
16 thank you for allowing us to testify today,  
17 but also staying this late in the day and  
18 committing your time to this. So thank you  
19 very much.

20 CHAIRWOMAN YOUNG: This is nothing.

21 (Laughter.)

22 MS. STURGIS: There's still more  
23 people.

24 At ASWN/NYSASN we believe that all of

1 New York's students deserve the chance to  
2 reach their full potential no matter where  
3 they are from. Each year, studies  
4 demonstrate the impact and value of  
5 after-school and summer programs in helping  
6 youth reach that potential. These benefits  
7 are outlined in the written testimony that  
8 we've provided to you, so we'll try to keep  
9 this short.

10 To build an innovation-focused  
11 economy, ensure our children are graduating  
12 high school ready for college and career, and  
13 keep them on track for healthy adult lives,  
14 New York needs to increase investment in  
15 high-quality after-school and summer learning  
16 experiences.

17 Furthermore, as the state turns to the  
18 community schools strategy to support school  
19 turnaround, a strategy in which 90 percent of  
20 schools include after-school programming or  
21 expanded learning time, there is increasing  
22 interest throughout the state in greater  
23 access to these programs.

24 While we strongly support the

1 community schools strategy, we are deeply  
2 concerned that schools attempting to add in  
3 needed after-school and summer programs will  
4 further stretch the already overextended  
5 funding streams. Even without considering  
6 potential increased demand, 1.1 million  
7 New York students want an after-school  
8 program and do not have access to one. That  
9 number remains unchanged from 2009.

10 Similarly, a report based on the same  
11 survey, from the 2014 America After 3 P.M.,  
12 revealed that 500,000 New York children are  
13 still without access to high-quality summer  
14 programming. Fortunately, the state has the  
15 opportunity to make a difference.

16 We ask that you appropriate  
17 \$69.2 million to the Advantage After School  
18 program. This will restore \$19.3 million in  
19 funding to this past fiscal year and increase  
20 funding by an additional \$49.9 million to  
21 this coming fiscal year. This increase will  
22 allow the program to serve 20,000 students,  
23 which is an increase of 5,000 students over  
24 current capacity, and expand the funding

1 stream to allow for full-day summer  
2 programming for 20,000 youth.

3           Additionally, this funding will align  
4 per-student allotment for these programs with  
5 national best practice standards, which is  
6 also aligned with 21st-century community  
7 learning centers. A portion of this  
8 investment will also ensure quality by  
9 leveraging statewide knowledge, resources,  
10 and supports through technical assistance,  
11 allowing for data collection and evaluation  
12 to make evidence-based quality improvements,  
13 and providing state-level data on  
14 after-school and summer programming.

15           Additionally, we request that you  
16 provide an additional \$190 million in  
17 childcare to maintain and expand subsidies.  
18 More than a third of childcare subsidies in  
19 New York support care for school-aged  
20 children, including after-school programs.  
21 An additional \$90 million is needed to ensure  
22 that no current children lose childcare  
23 subsidies as the state implements these new  
24 federally mandated health, safety, and

1 quality initiatives.

2 Furthermore, an additional  
3 \$100 million is needed to expand childcare  
4 subsidies to reach an additional  
5 13,000 children in income-eligible families  
6 that are waiting to be served. Investing in  
7 childcare subsidies helps families ensure  
8 that their children are safe after the school  
9 day ends, and the need is currently much  
10 higher than the available funding.

11 MS. LIDIE: I'm Allie Lidie; I'm the  
12 deputy director. I just wanted to highlight  
13 a couple of the great programs that we have  
14 across the state doing after-school and  
15 summer programs already.

16 One of them is the Comet Design  
17 Company in Carthage. It's actually an  
18 entrepreneurial program for high school  
19 students where they get to create a business  
20 plan, develop a product, use 3D printers and  
21 other high-tech machines to actually create  
22 these products, and then they sell them to  
23 support the after-school program.

24 Another is a partnership in Massena,

1           which is a community that has an increasing  
2           heroin and prescription drug addiction  
3           problem among youth, where the Boys and Girls  
4           Club has teamed up with the police department  
5           to provide a positive alternative through  
6           their after-school program.

7                         And these are just a couple of the  
8           opportunities that are currently in the state  
9           that need support.

10                        In addition to the recommendations  
11           that Kelly mentioned, we also hope that you  
12           consider a few other recommendations that  
13           support these programs, including the  
14           addition of \$28.33 million to the Youth  
15           Development Program to expand the  
16           out-of-school-time program services, and then  
17           growing that eventually to \$85 million.

18                        We also urge you to accept the  
19           Governor's proposed increase in the Summer  
20           Youth Employment Program to \$31 million, and  
21           to increase that program by \$17.2 million to  
22           add an additional 10,000 jobs and pay the  
23           increased minimum wage.

24                        We also urge you to accept the



1 Governor's proposal for a continued 250,000  
2 to increase enrollment in the Child and Adult  
3 Care Food Program.

4 And finally, to support baselining the  
5 \$2.1 million legislative add for the Runaway  
6 and Homeless Youth Act programs, which would  
7 bring total state support to \$4.48 million,  
8 and then, in addition, \$5.5 million to bring  
9 total support to \$10 million.

10 Thank you.

11 CHAIRWOMAN YOUNG: Thank you.

12 Questions?

13 CHAIRMAN FARRELL: Thank you.

14 CHAIRWOMAN YOUNG: Assemblyman?

15 ASSEMBLYMAN HEVESI: Yeah, just very  
16 quickly.

17 First -- there we go -- first, thank  
18 you, it's good to see you again, and thank  
19 you for all your work and to be part of, at  
20 least for me and I'm sure others of my  
21 colleagues, an understanding that  
22 after-school is not just good for the kids,  
23 but it's also sort of daycare that is crucial  
24 for parents to stay at work. It's an

1 economic development tool which is incredibly  
2 important for us.

3 So your guidance on these issues has  
4 been invaluable. I just want to say thanks.

5 MS. STURGIS: Thank you.

6 MS. LIDIE: Thank you for all of your  
7 support.

8 CHAIRWOMAN YOUNG: Thank you.

9 Well, thank you for participating  
10 today. We appreciate it.

11 MS. STURGIS: Thank you.

12 MS. LIDIE: Thank you.

13 CHAIRWOMAN YOUNG: Our next speaker is  
14 from the United Federation of Teachers, Anne  
15 Goldman, vice president for non-DOE titles.

16 Following Ms. Goldman, Vice President  
17 Goldman, we'll have Maclain Berhaupt, state  
18 advocacy director for the Supportive Housing  
19 Network of New York.

20 Welcome.

21 MS. GOLDMAN: Hi. Good afternoon.

22 So I've had the opportunity to hear  
23 the very informative debate, discussion, and  
24 I've learned a lot from all of you by sitting

1 here today. So I will be succinct and  
2 rephrase the reason for my appearing before  
3 you, which is to talk about the federall  
4 unfunded mandate on childcare providers from  
5 the lens of the provider.

6 I can't emphasize enough what a  
7 mistake this is. As someone who's been on  
8 the end of trauma teams as a registered  
9 nurse, intervention in homeless shelters, and  
10 worked for many, many years through different  
11 aspects in society, let me be clear: There  
12 is no way for us to succeed in New York if we  
13 don't start with leveling the playing fields  
14 for the multicultural children and poor  
15 people who need this service.

16 I heard the discussion this morning  
17 and many of your questions with OCFS. Bottom  
18 line: Of course the providers who are  
19 legally exempt will go underground. How can  
20 they survive? They cannot compete and  
21 survive. And, quite frankly, as some of your  
22 questions have indicated, of course they're  
23 attracted to the \$15 minimum wage in other  
24 areas. Childcare, if we really value it, we

1           have to understand it's more than just  
2           watching a child or the so-called  
3           babysitting. It is indeed meeting the  
4           society's and the community's needs in a  
5           culturally sensitive, proficient manner.  
6           Getting that child the chance to compete in  
7           life, to understand what it is to sit in a  
8           classroom, eat a hot meal, be with other  
9           children.

10                        When we don't do that correctly, we  
11           pay for that later if we don't pay for it  
12           up-front. And when we talk about costing  
13           items, let's go to the emergency room. Let's  
14           look at the children and the prices we pay  
15           for the recovery of a lost opportunity.  
16           Those opportunities are lost when we don't  
17           recognize it's not fair to consider legally  
18           exempt in the number of vouchers we need for  
19           children serving 21 or 25 percent, depending  
20           on who does the math, of those eligible --  
21           it's ridiculous. How do we consider  
22           ourselves prudent by investing in the  
23           economics of our state when we disadvantage  
24           the very people who are trying to succeed who

1 we claim we're trying to move forward? How  
2 can that possibly happen?

3 I have seen in my time different  
4 mandates that are unfunded or that are  
5 untimely. This cannot work. There is not  
6 the ability because we do not know the rules,  
7 the inspectors do not know the rules, we do  
8 not have a timeline. And as so many speakers  
9 before me were very clear in articulating,  
10 are we kidding? We're going to put  
11 background checks and fingerprinting,  
12 additional costs, on the backs of very poor  
13 people? These are not enforceable mandates  
14 in legally exempt -- you're walking into  
15 someone's home. How do you walk in someone's  
16 home and enforce all of these things?

17 Do we just want to feel good by saying  
18 these are the great rules New York has? Or  
19 do we want to do it right the first time?  
20 And doing it right the first time starts by  
21 understanding we need a timeline, we need a  
22 rollout, we need an action plan, and we need  
23 to give support to those people there. And  
24 we need to remember there is no time to do it

1 over. How many times do we sit and  
2 contemplate the do-over, the do-over because  
3 we did not correctly implement the first  
4 time?

5 In effect, there's a lot of planned  
6 remarks and a lot of learned people in the  
7 room, but that's the points I feel I wanted  
8 to emphasize.

9 I do want to also say about  
10 special-needs children -- and again,  
11 culturally proficient, this is a very serious  
12 skill mix, that we need to be sensitive to  
13 the public health needs of our children and  
14 the ability to react to children who need  
15 additional guidance, support. And that will  
16 not happen if we do not treat poor children  
17 in the same way we treat children who have  
18 the opportunity to be in our healthcare  
19 system.

20 All of that said, we hope that you  
21 will review -- and I'm sure from your  
22 comments today and your concerns and your  
23 interests, you already know these things, but  
24 we want to emphasize to you those are the --

1 I think the summary that I wish to  
2 articulate, based on a long day of hearing  
3 very interesting remarks.

4 So thank you.

5 SENATOR KRUEGER: Senators?

6 Senator Diane Savino.

7 SENATOR SAVINO: Thank you, Senator  
8 Krueger.

9 Hi, Anne. How are you?

10 MS. GOLDMAN: Good.

11 SENATOR SAVINO: I'm just curious.

12 When we did the legislation a few years ago  
13 to allow for collective bargaining rights for  
14 daycare workers, the family-based daycare  
15 workers, the UFT has the workers in the city  
16 and CSEA has them everywhere else. One of  
17 the reasons why we wanted them to have  
18 collective bargaining rights was so they  
19 could band together for the purposes of  
20 making the argument that we needed to raise  
21 the subsidies, which basically is how they  
22 earn their living.

23 Has there been any success with that,  
24 with the effort to bring awareness to how low

1 the subsidies are so we can elevate them?

2 MS. GOLDMAN: No. And with the market  
3 rate being rolled back, in effect, that  
4 wasn't helpful either.

5 There's been a series of discussions,  
6 and it isn't even a fair formula. If we were  
7 bargaining wage and talked about the  
8 providers, it's under the \$11 that you  
9 remarked about before because they're doing a  
10 12-, 13-hour day.

11 SENATOR SAVINO: Mm-hmm.

12 MS. GOLDMAN: So no, we have not  
13 succeeded in that area. We talk about a lot  
14 of things, but there's no progress that I am  
15 aware of.

16 SENATOR SAVINO: Mm-hmm. And I know  
17 that other people have raised the concern  
18 that if we raise the minimum wage, you know,  
19 over this period of time to \$15 an hour,  
20 childcare workers are entitled to that too,  
21 and there's a concern that that will somehow  
22 elevate the cost of childcare to working  
23 parents. Although most of your members,  
24 their childcare -- their actual salary comes



1 through the subsidy that the parent receives;  
2 correct?

3 MS. GOLDMAN: Yes.

4 SENATOR SAVINO: Right. So how would  
5 raising the state's minimum wage affect them?

6 MS. GOLDMAN: It would be a welcome  
7 opportunity for the families they're serving,  
8 and for them, to participate in a more viable  
9 career.

10 SENATOR SAVINO: Mm-hmm.

11 MS. GOLDMAN: This is actually -- it  
12 can become a career, where we have talked  
13 about PD -- I heard other speakers talk about  
14 it.

15 The UFT administers those programs,  
16 and I think what it does is offer the  
17 opportunity, the launch pad, if you will, for  
18 someone to nurture and develop into a worker  
19 with some respect and some dignity.

20 SENATOR SAVINO: Mm-hmm.

21 MS. GOLDMAN: In a lot of areas where  
22 it's just considered women's work, and we're  
23 still doing that based on the way this  
24 particular budget has reacted to childcare.

1                   SENATOR SAVINO: And you have

2                   15,000 --

3                   MS. GOLDMAN: Yes.

4                   SENATOR SAVINO: -- members in the  
5                   City of New York? Do you know how many --  
6                   how many children are being served by the  
7                   home-based childcare system?

8                   MS. GOLDMAN: Oh, my goodness. About  
9                   200,000.

10                  SENATOR SAVINO: Two hundred thousand.

11                  MS. GOLDMAN: Yes.

12                  SENATOR SAVINO: Because earlier today  
13                  deputy -- acting commissioner --

14                  MS. GOLDMAN: That's through that  
15                  system --

16                  SENATOR SAVINO: Right.

17                  MS. GOLDMAN: But remember, now,  
18                  that's vouchered, and there are so many  
19                  others. But in terms of framing the question  
20                  in that way, that's about the number.

21                  SENATOR SAVINO: So through that  
22                  voucher system, that's 200,000.

23                  MS. GOLDMAN: Yes.

24                  SENATOR SAVINO: Because earlier today

1 we were told there's 207,000 children  
2 statewide that are given a -- eligible for  
3 subsidy, but not that subsidy.

4 MS. GOLDMAN: That's correct.

5 SENATOR SAVINO: Thank you.

6 MS. GOLDMAN: Thank you very much.

7 Thank you very much, everyone.

8 SENATOR KRUEGER: Thank you.

9 CHAIRMAN FARRELL: Thank you.

10 SENATOR SAVINO: Good night, Annie.

11 SENATOR KRUEGER: Thank you.

12 Our next speaker is Maclain Berhaupt,  
13 Supportive Housing Network of New York.

14 And then for people who are watching,  
15 next up will be Carmelita Cruz from Housing  
16 Works.

17 Hi.

18 MS. BERHAUPT: Thank you. Thank you  
19 all for the opportunity to testify this  
20 afternoon.

21 My name is Maclain Berhaupt. I'm the  
22 state advocacy director of the Supportive  
23 Housing Network of New York. The network is  
24 a member association representing over

1           200 nonprofit providers and developers who  
2           operate more than 50,000 supportive housing  
3           units across the state.

4                   Supportive housing is permanent,  
5           affordable housing linked to on-site services  
6           for individuals and families that are  
7           homeless, disabled and at-risk. It is the  
8           proven, cost-effective, and humane way to  
9           provide stable homes to individuals and  
10          families who have difficulty maintaining  
11          housing due to disabling conditions.

12                   Supportive housing allows disabled  
13          individuals who have spent years living on  
14          the streets or in institutions to live  
15          fulfilling, rewarding lives integrated into  
16          the community. It gives them the stability,  
17          support, and sense of community they need to  
18          reunite with their families, become  
19          healthier, and in many cases secure  
20          employment. It changes and saves lives every  
21          day.

22                   That is why the network strongly  
23          supports the Executive Budget's proposal for  
24          20,000 new units of supportive housing

1 statewide over the next fifteen years. The  
2 five-year program is set to invest  
3 \$2.6 billion for 6,000 new units of  
4 supportive housing over the first five years  
5 of this 15-year commitment.

6 The Governor has said that over the  
7 15 years, the plan will result in 20,000 new  
8 supportive housing units. We commend the  
9 Governor for this commitment and urge the  
10 Legislature to stand with him and continue to  
11 support the need for the state to fund the  
12 20,000 units over 15 years, specifically to  
13 build the first 6,000 units over the first  
14 five years. This plan is exactly what the  
15 Legislature and the Campaign 4 NY/NY  
16 envisioned when we stood together asking the  
17 state to support 35,000 units across the  
18 state.

19 And while we are overjoyed with this  
20 long-term commitment to build 20,000 new  
21 units, we must not forgo a commitment to fund  
22 the state's existing units that are housing  
23 formerly homeless persons today. Otherwise,  
24 we are not expanding the pipeline to address

1 the crisis -- rather, replacing old units  
2 with new units. Adequate funding for units  
3 that are open now is just as critically  
4 important to funding the new units.

5 OTDA supports the New York State  
6 Supportive Housing Program, which is one of  
7 the state's most important funding sources  
8 for innovative and effective solutions to  
9 keeping people from becoming or remaining  
10 homeless. It is the primary funding stream  
11 for the ongoing operation of supportive  
12 housing in New York State. It pays for  
13 critical on-site services that make it  
14 possible to house multi-disabled and  
15 vulnerable individuals, families and children  
16 in supportive housing. Services include case  
17 management, counseling and crisis  
18 intervention, employment and vocational  
19 assistance, parenting skills development, and  
20 building security services.

21 This year the Executive Budget  
22 flat-funds this program at \$29.1 million.  
23 This is just -- this is about \$4.8 million  
24 short of what is needed to adequately fund

1 all existing supportive housing residences  
2 and all new residences opening up in 2016.  
3 This funding shortfall jeopardizes the  
4 housing stability of over 6,300 homeless  
5 individuals, families, and children across  
6 the state.

7 Without this additional 4.8 million,  
8 just under 100 supportive housing residences  
9 are either not receiving this critical  
10 service funding or are underfunded by  
11 10 percent. About roughly half have been cut  
12 10 percent, and the other half have not  
13 received any of this service funding.

14 I did leave a few examples in the  
15 testimony of how these cuts will impact  
16 existing residences and future residences  
17 about to open, and I would just conclude with  
18 asking the Legislature to consider that at  
19 this time we're facing record homelessness;  
20 we must stand together to ensure that the  
21 programs currently serving this population --  
22 that the most vulnerable maintain minimal but  
23 critical support services to keep high-risk  
24 tenants safely housed.

1 Thank you.

2 SENATOR KRUEGER: Thank you. I'm  
3 going to start.

4 So in earlier today's testimony we  
5 learned that \$75 million of the JPMorgan  
6 settlement money that was supposed to be in  
7 the 2014-2015 budget -- I mean the 2015-2016  
8 budget --

9 MS. BERHAUPT: Right.

10 SENATOR KRUEGER: -- has never been  
11 released. And that was for supportive  
12 housing. What did you think you were getting  
13 that money for, and what's happened since you  
14 didn't get that money?

15 MS. BERHAUPT: Sure. It was our  
16 understanding last year that money was kind  
17 of the down payment for 5,000 units of  
18 supportive housing that the Governor had  
19 announced a year ago.

20 It's our understanding now that that  
21 funding has been kind of lumped into this new  
22 five-year commitment of 6,000 units. So it  
23 was never -- it wasn't spent. There were --  
24 are -- a piece that went out, I think it's



1           been wrapped up now into this new commitment.  
2           So essentially last year's commitment is part  
3           of this year's commitment, if that makes  
4           sense.

5                     SENATOR SAVINO:  So last year's  
6           commitment was 5,000 units over five years,  
7           and that became 6,000 units over five years,  
8           but we lost a year.

9                     MS. BERHAUPT:  Yeah.  Right.  But the  
10          difference is that last year there was a plan  
11          for the city and the state to share in that  
12          commitment, and now it's our understanding  
13          that the state is fully funding those  
14          6,000 units -- 100 percent with all state  
15          funding, no local match.  So that would be  
16          the difference.

17                    SENATOR KRUEGER:  And also from  
18          earlier testimony, of the money for  
19          supportive housing, it was broken down X  
20          amount for capital and Y amount for services.

21                    MS. BERHAUPT:  Mm-hmm.

22                    SENATOR KRUEGER:  So you're showing  
23          today that you've actually been flat-funded  
24          or actually are short almost \$5 million for

1 ongoing supportive services.

2 MS. BERHAUPT: Right. The specific  
3 program, the New York State Supportive  
4 Housing program. Correct.

5 SENATOR KRUEGER: Right. But the  
6 Governor's people said that they actually  
7 have lots of new money for the services to go  
8 along with supportive housing.

9 So is there somewhere else in the  
10 budget where we can find that money that will  
11 address both your shortfall and your  
12 expanding needs?

13 MS. BERHAUPT: Sure. It's our  
14 understanding the commitment for the 6,000  
15 units was, I believe, \$2.6 billion, of which  
16 \$200 million was for the support services.

17 That RFP has not gone out yet. So  
18 we're not sure how they will be rolling out  
19 the services funding for that. I would  
20 anticipate, you know, maybe it would be  
21 through the NYSHIP program; maybe it would be  
22 a brand-new program. We just don't know the  
23 details of that.

24 SENATOR KRUEGER: And is it your

1           understanding that that \$200 million includes  
2           money for existing supportive housing, or  
3           just new units?

4                     MS. BERHAUPT: For new units.

5                     SENATOR KRUEGER: So no matter what  
6           they roll out, that wouldn't apply to the  
7           shortfall you're suffering from now.

8                     MS. BERHAUPT: Correct.

9                     SENATOR KRUEGER: And that  
10          hypothetically wouldn't be available until  
11          X number of years into the future when new  
12          supportive housing units came online.

13                    MS. BERHAUPT: Correct. Those 6,000  
14          units are all for new construction, which  
15          will take a couple years to be built. So  
16          that -- you're correct.

17                    SENATOR KRUEGER: And again, as you've  
18          described, we're actually a year behind when  
19          the first commitment was made a year ago for  
20          5,000 units.

21                    MS. BERHAUPT: Right.

22                    SENATOR KRUEGER: So we have actually  
23          a -- we've taken a step backwards when we're  
24          supposed to be taking big steps forwards.

1 MS. BERHAUPT: Sure. I mean, we at  
2 the network -- we're very excited to hear  
3 this 15-year commitment. We're even more  
4 excited to see the 6,000 units that's fully  
5 funded in the budget. But we would like to  
6 see some type of way that the 15,000  
7 commitment be memorialized and realized over  
8 the next -- I'm sorry, the 20,000 units over  
9 the next 15 years.

10 SENATOR KRUEGER: Thank you.

11 Assembly? Assemblymember Hevesi.

12 ASSEMBLYMAN HEVESI: Thank you. Thank  
13 you.

14 First I've just got to get the  
15 pleasantries out of the way. Maclain, thank  
16 you and Laura Mascuch and everybody at the  
17 network for being incredible over the last  
18 year. If it was not for your work, the  
19 members of the Legislature wouldn't have an  
20 understanding of what supportive housing is,  
21 what you do, how it is the answer to our  
22 current homeless crisis, and every step of  
23 the way it's been a long, difficult process  
24 to get to the 35,000 units. You guys have

1           been great. So I just want to say thank you.

2                   MS. BERHAUPT: Thank you so much.

3                   ASSEMBLYMAN HEVESI: We agree with  
4           you, or I agree with you, specifically about  
5           the need for a New York/New York IV agreement  
6           with respect to both Mayor de Blasio and  
7           Governor Cuomo, who've done an outstanding  
8           job on this issue. They will no longer be in  
9           office when these units come online, and so  
10          we agree with you at the need to lock down  
11          that deal. Also, it allows people in your  
12          network to plan and to go after other money  
13          to make sure that these units come to  
14          fruition.

15                   And I can tell you, from the Assembly  
16          point of view, that we are really going to be  
17          focused on the \$4.8 million shortfall for  
18          existing units. And I believe, based on  
19          conversations publicly and also privately  
20          with the commissioner, that they acknowledge  
21          that need.

22                   MS. BERHAUPT: Thanks.

23                   ASSEMBLYMAN HEVESI: So we're ready  
24          to stand with you. And again, you guys have

1           been great, and you need to take a bow for  
2           the incredible work you've done to get us to  
3           35,000 units. We have some concerns about  
4           how they're coming out, but that's a good  
5           problem to have.

6                        So thank you, Maclain, for all your  
7           work.

8                        MS. BERHAUPT: Thank you.

9                        SENATOR KRUEGER: Thank you.

10                       Senator Velmanette Montgomery.

11                       SENATOR MONTGOMERY: Yes, thank you,  
12           Madam Chair.

13                       Hello.

14                       MS. BERHAUPT: Hi.

15                       SENATOR MONTGOMERY: Thank you for  
16           your testimony.

17                       You named in your -- you listed  
18           several examples, one from Rochester, one  
19           from Montrose, New York, one from the  
20           Finger Lakes. And, you know, for me and for  
21           us in the city in particular, it is very  
22           difficult to site special-needs supportive  
23           housing --

24                       MS. BERHAUPT: Mm-hmm.

1                   SENATOR MONTGOMERY:  -- and impossible  
2                   to do it without the supportive parts.

3                   MS. BERHAUPT:  The services.

4                   SENATOR MONTGOMERY:  So -- and you  
5                   mentioned that there are cuts.  Is there --  
6                   can I find out?  Because I have a number of  
7                   supportive housing projects in my district.  
8                   They are all extremely important, very well  
9                   run, so far no problems, but it's because  
10                  they have the supportive housing arm there.

11                  Can you give us -- can you give me a  
12                  list of the housing developments that I  
13                  represent or that are in Brooklyn and that  
14                  we'll be losing funds based on this?

15                  MS. BERHAUPT:  Sure.

16                  SENATOR MONTGOMERY:  And so that we  
17                  can all work together.  I'm sorry, I'm not --  
18                  not that I don't support these, but you  
19                  understand.

20                  MS. BERHAUPT:  Yeah.  Absolutely.  I'm  
21                  happy to talk with you after, and we're happy  
22                  to give you that information relative  
23                  specifically to your district, of course.

24                  SENATOR MONTGOMERY:  Thank you.  I'd

1 appreciate that.

2 SENATOR KRUEGER: Assembly?

3 CHAIRMAN FARRELL: Thank you.

4 SENATOR KRUEGER: Thank you very much  
5 for your testimony and all your work through  
6 the Supportive Housing Network.

7 MS. BERHAUPT: Great. Thank you so  
8 much. I appreciate it.

9 SENATOR KRUEGER: Thank you.

10 Our next testifier will be Carmelita  
11 Cruz, director of New York State advocacy for  
12 Housing Works.

13 And for those of you keeping track,  
14 we've had a number of cancellations. So next  
15 up, in preparation, Jeffrey Lozman, New York  
16 State Society of Orthopaedic Surgeons, along  
17 with Babette Grey, followed by UJA  
18 Federation. For just preparing yourselves  
19 for moving down, because there have been  
20 quite a few cancellations.

21 Hello. Good afternoon.

22 MS. CRUZ: Good afternoon. So thank  
23 you so much for sticking around, and I  
24 promise to be as short as I possibly can.



1                   My name is Carmelita Cruz. I'm the  
2                   director for New York State advocacy at  
3                   Housing Works. Housing Works is a healing  
4                   community of people living with and affected  
5                   by HIV/AIDS. Our mission is to end the dual  
6                   crises of homelessness and AIDS through  
7                   relentless advocacy, the provision of  
8                   life-saving services, and entrepreneurial  
9                   businesses that sustain our efforts.

10                   So over the past few years, Housing  
11                   Works has worked tirelessly to support the  
12                   New York State plan to end the HIV and AIDS  
13                   epidemic here in our state. On June 29th,  
14                   the Governor announced a very ambitious plan  
15                   for New York State to end our AIDS epidemic  
16                   by the year 2020. We were the first  
17                   jurisdiction in the world to set this goal,  
18                   so it's really historic.

19                   And the plan basically focuses on  
20                   three pillars that the Governor announced.  
21                   One is identifying people who are  
22                   HIV-positive and getting them into care; the  
23                   other is identifying folks that know they're  
24                   HIV-positive and have fallen out of care, and

1 really bringing them back into care; and then  
2 also facilitating access to PrEP and PEP.

3 Our goal in how we determine if we are  
4 able to succeed and end the AIDS epidemic by  
5 2020 is to reduce the number of new  
6 infections that we have here in the state  
7 each year. So last year we had around 3,000  
8 new HIV infections. We're trying to get that  
9 to below 750 by 2020. That's the CDC's  
10 definition of ending our epidemic here in the  
11 state.

12 As you probably know, there's no cure  
13 to end -- there's no cure for HIV and AIDS,  
14 but with effective antiretroviral treatments  
15 that suppress the virus level in someone's  
16 blood, we can really maintain the health of  
17 person and make it virtually impossible to  
18 transmit HIV to others.

19 So what I wanted to focus on today  
20 were two specific housing items that were not  
21 included in the budget, and that is expanding  
22 HASA services. So the HIV and AIDS  
23 Administration in New York City provides a  
24 series of benefits for people living with

1           AIDS -- that's enhanced rental assistance,  
2           nutrition and transportation assistance -- so  
3           expanding those services to anyone in  
4           New York City who is HIV-positive.

5                     Right now those services are only  
6           available if someone has an advanced HIV  
7           diagnosis, so we're really waiting for people  
8           to get sick before we're willing to help  
9           them, and we'd really like to see that  
10          expanded to anyone who's HIV-positive.

11                    So Mayor de Blasio included  
12          \$26 million in his preliminary budget to  
13          expand HASA services to anyone who's  
14          HIV-positive, and that's really contingent  
15          upon the state putting up their share, which  
16          is about another \$30 million. So I really  
17          want to urge you to include that in your  
18          budget.

19                    It would really be a missed  
20          opportunity -- we've been fighting to see the  
21          city even be willing to include this money  
22          for a number of years. So I am hoping that,  
23          you know, the state can put that money  
24          forward and that will ensure social services

1 to an estimated 7,300 HIV-positive New York  
2 City residents that are currently ineligible  
3 for HASA services because they aren't sick  
4 enough to access those services.

5 The other thing that I wanted to bring  
6 up was that there is no HASA-like benefits  
7 for people that are HIV-positive living  
8 outside of New York City. Right now, each  
9 county has the opportunity to participate in  
10 that program, but because of the county match  
11 for funding, the program is so expensive that  
12 many counties just don't have the funds to do  
13 that.

14 We would really love to see money  
15 included in the budget to fund 100 percent of  
16 the expansion of HASA services to people  
17 living with HIV outside of New York City.

18 There is a lot of information included  
19 in here, including research and some return  
20 on investments, but the return on investment  
21 is really, you know, potentially billions of  
22 dollars if we are able to meet our goal of  
23 reducing the number of new infections to 750  
24 by the year 2020 and in the years after that.

1           You know, it costs so much to house and care  
2           for and provide medical care for people with  
3           HIV that we can realize billions of dollars  
4           in Medicaid savings, potentially.

5                        So I wanted to highlight those things,  
6           and this is my last 45 seconds. I just want  
7           to bring up two areas where we have been  
8           really, really successful in the state with  
9           reducing an infection by really investing in  
10          effective interventions, and that's with  
11          injection drug users.

12                       At one point, about 7,500 new  
13          infections per year were attributable to  
14          injection drug use. In the last reported  
15          year, which is either 2013 or 2014, we only  
16          had 69 new infections that were attributable  
17          to injection drug use. And that's really  
18          because of the success of our harm reduction  
19          program.

20                       And then, also, mother-to-child  
21          transmission. A number of years ago  
22          mother-to-child transmission was around  
23          500 per year for newborns, and within the  
24          past year we have not had a single child that

1 was born HIV-positive, just because we have  
2 changed the law and started testing pregnant  
3 women for HIV and getting them on ARVs.

4 So I just wanted to point out the  
5 success that we can really see when we invest  
6 in preventing new infections in the state.

7 SENATOR KRUEGER: Any questions?

8 CHAIRMAN FARRELL: Any questions?

9 SENATOR KRUEGER: Diane Savino.

10 SENATOR SAVINO: I just have one  
11 question. I should know this, and I don't, I  
12 don't remember. But do the other counties  
13 around the state have a HASA equivalent?

14 MS. CRUZ: No.

15 SENATOR SAVINO: They don't. So  
16 New York City is the only social service  
17 district that has an agency directly --

18 MS. CRUZ: That pertains just to HIV  
19 and AIDS.

20 SENATOR SAVINO: -- to HIV and AIDS.  
21 That's interesting. So how -- if you live  
22 outside the City of New York and you are  
23 HIV-positive or you're HIV-positive and  
24 you're symptomatic, where do they go for

1 assistance?

2 MS. CRUZ: You go to the regular  
3 social service agency and you're provided  
4 with the same assistance that anyone else  
5 would --

6 SENATOR SAVINO: So there's no  
7 additional assistance provided to them?

8 MS. CRUZ: No.

9 SENATOR SAVINO: In the almost  
10 30 years since New York City created what was  
11 then a division of AIDS services?

12 MS. CRUZ: Yes. Yeah.

13 SENATOR SAVINO: That's amazing.

14 MS. CRUZ: I mean, at some point I'm  
15 going to point out that 80 percent of the  
16 epidemic resides --

17 SENATOR SAVINO: True.

18 MS. CRUZ: -- 80 percent of the people  
19 with HIV reside in New York City. But that's  
20 still 20,000 to 30,000 people living outside  
21 of the city with HIV or AIDS that, yeah,  
22 don't have these enhanced benefits.

23 SENATOR SAVINO: Right.

24 I actually do have a second question.

1           It's about the 30 percent rent cap. As you  
2           know, the Governor instituted it I think two  
3           years ago. Has it been successful in the  
4           City of New York? Are we seeing the --

5                   MS. CRUZ: Yes. So far, we've seen it  
6           be successful. There are a couple of issues  
7           that have come up, but the administration has  
8           been very open and willing to kind of  
9           overcome those obstacles when they've been  
10          identified.

11                   SENATOR SAVINO: Great. Thank you.

12                   SENATOR KRUEGER: Thank you very much.

13                   MS. CRUZ: Okay, thank you.

14                   SENATOR KRUEGER: Appreciate your  
15          testimony.

16                   CHAIRMAN FARRELL: Thank you.

17                   SENATOR KRUEGER: Thank you.

18                   And the next testifier is -- it's a  
19          twofer, Jeffrey Lozman and Babette Grey, of  
20          the New York State Society of Orthopaedic  
21          Surgeons.

22                   DR. LOZMAN: Thank you very much. I  
23          will not be sitting here asking for any  
24          funding allocation, I can assure you.



1                   My name is Dr. Jeffrey Lozman. I'm an  
2                   orthopedic surgeon here in Albany, I'm a  
3                   professor of orthopedics at Albany Medical  
4                   Center, so I'm very familiar with this area.  
5                   And I'm here today serving as president of  
6                   the New York State Society of Orthopaedic  
7                   Surgeons.

8                   On behalf of the New York State  
9                   Society of Orthopaedic Surgeons and the  
10                  1,600 orthopedic surgeons that we represent,  
11                  thank you for providing us with this  
12                  opportunity to present our views on the  
13                  sweeping changes to the workers' compensation  
14                  program as proposed in the Governor's budget.

15                  The New York State Society of  
16                  Orthopaedic Surgeons maintains a specific  
17                  focus on improving access to care, promoting  
18                  public health, and facilitating improvement  
19                  of patient safety and quality of care. It is  
20                  estimated that employers spend as much as  
21                  \$15 billion to \$18 billion a year on direct  
22                  costs for musculoskeletal disorder-related  
23                  workers' compensation, and up to three to  
24                  four times that much for indirect costs, such

1 as those associated with hiring and training  
2 replacement workers.

3 A United States Department of Health  
4 study showed that from 1996 to 2004, managing  
5 musculoskeletal disease, including lost  
6 wages, cost an average \$850 billion annually,  
7 making it the largest workers' compensation  
8 expense. For employers paying workers'  
9 compensation claims, the economic strain has  
10 reached a tipping point.

11 Eighty percent of all claims under  
12 workers' compensation are musculoskeletal  
13 sprains, strains, injuries, with low back  
14 injuries consuming more than 33 percent of  
15 every workers' compensation dollar. Back  
16 pain causes more than 300 million bed days  
17 and 187 million lost work days yearly, from a  
18 review from the Department of Labor. Nearly  
19 all orthopaedic surgeons treat workers'  
20 compensation patients. The New York State  
21 Society of Orthopaedic Surgeons believes that  
22 properly designed and efficiently run  
23 workers' compensation managed-care programs  
24 can provide high-quality healthcare to

1           injured workers and minimize their  
2           disabilities.

3                     The proposed changes in the Governor's  
4           Executive Budget seek to ensure the system  
5           provides more timely and appropriate medical  
6           and wage replacement benefits to workers.  
7           While we support these general concepts, we  
8           are concerned several of the proposals will  
9           result in broad authority for the Workers'  
10          Compensation Board in decision making without  
11          oversight, and continued marginalization of  
12          physician participation in the program. This  
13          type of shift has grave potential to  
14          negatively impact access to care for the  
15          injured worker.

16                    The proposals of specific concern  
17          include provisions that would expand existing  
18          categories of healthcare providers to  
19          non-physicians, create an authorization  
20          agreement without specification, remove the  
21          role of medical societies not only from the  
22          approval process but for removal of providers  
23          from the system, and extend the opt-out  
24          period from employer-selected preferred

1 provider organizations from 30 days to  
2 120 days.

3 The New York State Society of  
4 Orthopaedic Surgeons represents orthopaedic  
5 physicians who best serve injured workers  
6 with the highest quality of care and provide  
7 easy accessibility. According to the  
8 American Academy of Orthopaedic Surgeons,  
9 musculoskeletal injury accounts for  
10 30 percent of all workplace injuries  
11 requiring time away from work, and is the  
12 leading cause of disability claims.

13 Orthopaedic surgeons enable injured  
14 workers with sometimes devastating injuries  
15 to return to the workforce, improve and  
16 restore function, and foster active lives.  
17 Studies have shown that early intervention by  
18 the specialist, the orthopaedic surgeon, for  
19 musculoskeletal injuries decreased the  
20 overall cost of care by allowing the  
21 musculoskeletal expert to develop a treatment  
22 plan that may or may not involve surgery.  
23 Studies also show that delays in direct,  
24 appropriate care can result in high

1 percentages of patients not returning to  
2 work, essentially increasing the costs to the  
3 overall system.

4 The proposed Executive Budget would  
5 now define providers in the system to include  
6 acupuncturists, chiropractors, nurse  
7 practitioners, occupational therapists,  
8 physical therapists, physician assistants,  
9 podiatrists, psychologists, and clinical  
10 social workers. Clarification as to how  
11 these non-physicians will coordinate with  
12 other practitioners when these patients are  
13 in need of specialized care is crucial.

14 The proposal would permit those  
15 non-physician providers to render treatments  
16 and offer opinions on issues such as causal  
17 relationship of the injury to the accident  
18 and level of disability. These  
19 non-physicians will serve as independent  
20 medical examiners, and have the ability to  
21 contradict the recommendation of the injured  
22 worker's treating physician.

23 There's no clarity as to how this  
24 broad expansion of non-physician providers

1 will benefit patient care. Rather, it leaves  
2 tremendous uncertainty as to how these  
3 non-physicians will coordinate patient care  
4 delivery and only dilutes the care received  
5 by the injured worker.

6 The proposal goes on to expand the  
7 Workers' Compensation Board's authority with  
8 the creation of an "authorization agreement"  
9 which will cause steep fines to physicians  
10 who do not follow the proposals. We have  
11 significant concerns that this type of broad  
12 authority may result in unilateral decisions  
13 not in the best interest of the patient or  
14 the treating physicians. This centralization  
15 of power, in concert with the imposition of  
16 the board's medical treatment guidelines,  
17 relegates the care delivered to these  
18 patients and ultimately marginalizes the role  
19 of the physicians.

20 SENATOR KRUEGER: And Doctor, because  
21 you're at zero, if you could just summarize  
22 the remainder of your testimony.

23 DR. LOZMAN: I would be very happy to  
24 do that, thank you.

1                   SENATOR KRUEGER: Thank you.

2                   DR. LOZMAN: What we see in the  
3                   treatment of these patients is that the time  
4                   that is allowed for their treatment in the  
5                   physician's office is more than double any  
6                   other type of treatment of the patients. In  
7                   fact, in some physicians' office --  
8                   40 percent -- it's even more than doubled.

9                   The budget concerns that we have right  
10                  now are significant. We have polled all of  
11                  the orthopaedic surgeons by a survey in  
12                  New York State. We have proposed to them  
13                  options that they can select from that deal  
14                  with the new proposed fee schedules, that  
15                  deal with the things that I've just  
16                  addressed. Eighty-two percent of the  
17                  orthopedic surgeons in this state have  
18                  responded by saying they will cut down  
19                  significantly the number of workers'  
20                  compensation patients that they see. We've  
21                  received a tremendous feedback -- both in my  
22                  position and the position of our executive  
23                  director, Babette, who's sitting next to  
24                  me -- from orthopedic surgeons in the state

1 in the form of phone calls: How do I resign  
2 from workers' compensation?

3 To just jump to the end, if I may, we  
4 strongly recommend reforms that preserve  
5 access to the physicians most qualified to  
6 care for injured workers. We do not believe  
7 that the New York State Workers' Compensation  
8 Business Reengineering Process has addressed  
9 these concerns between orthopedic surgeons  
10 and other stakeholders.

11 The orthopedic community throughout  
12 the state has spoken in no uncertain terms.  
13 We fear the proposal will result in access to  
14 care issues and poorer quality of care. This  
15 is the very opposite of the workers'  
16 compensation mission and all that has been  
17 invested in the interests of getting the  
18 injured patient back to a healthy, active,  
19 and productive lifestyle.

20 I'm not going to be a fearmonger. I'm  
21 here to inform you that I believe the  
22 direction we're heading is not safe for  
23 patient access, for patient quality, for  
24 patient care.



1                   SENATOR KRUEGER: So I think that you  
2 ended up in this hearing because the Labor  
3 hearing, which would deal with worker's comp,  
4 had already come and gone.

5                   I just want to let you know that I  
6 represent the East Side of Manhattan, and  
7 shockingly, there are some doctors who live  
8 in my district also. And I had received an  
9 email with very parallel concerns today and  
10 had forwarded it on to our Healthcare ranker  
11 and our Labor ranker and staff. So I know  
12 that we're actually looking at this issue.

13                   So I appreciate your coming and  
14 testifying, even though perhaps some people  
15 in the audience aren't quite sure why this is  
16 in this hearing today.

17                   So I want to thank you.

18                   DR. LOZMAN: I can't answer that last  
19 question as to why it's in the hearing today  
20 either. But that's where we were placed, and  
21 we felt it was important enough to be here.

22                   SENATOR KRUEGER: Fair enough. And  
23 this is the last hearing, so frankly it's the  
24 only place anybody who wanted to get our

1 attention was going to get it.

2 But I wanted to assure you that I  
3 moved it along to the Labor staff and  
4 Senators and the healthcare policy people as  
5 well.

6 DR. LOZMAN: Thank you for listening  
7 and paying attention. I appreciate it.

8 SENATOR KRUEGER: Thank you.

9 CHAIRMAN FARRELL: Thank you.

10 SENATOR KRUEGER: Thank you very much.

11 Our next testifier, Hillary Stuchin of  
12 United Jewish Appeal, UJA-Federation. And I  
13 probably destroyed your name, so you'll  
14 correct me.

15 MS. STUCHIN: Actually, you got it  
16 quite right.

17 SENATOR KRUEGER: Oh.

18 MS. STUCHIN: And you're one of the  
19 few. So thank you.

20 SENATOR KRUEGER: Just luck.

21 MS. STUCHIN: So thank you for  
22 allowing me to testify today. My name is  
23 Hillary Stuchin, as you said. I'm the senior  
24 advocacy advisor with UJA-Federation of

1 New York. In case you don't know, UJA-  
2 Federation of New York is one of the nation's  
3 largest local philanthropies. We have a  
4 network of over 80 nonprofit organizations  
5 and agencies that serve New York's most  
6 vulnerable individuals and help build  
7 communities.

8           Considering the length of how things  
9 have gone today, I'm just going to draw  
10 attention to a few things, mostly the needs  
11 of aging New Yorkers and proposed programs to  
12 help combat poverty, health, and social  
13 service issues affecting this population.  
14 I'll start with an issue that you may have  
15 heard about already today, NORCs and  
16 Neighborhood NORCs.

17           So New Yorkers are aging. An  
18 increasing number of residents will require  
19 special health and social services  
20 facilitated by these Naturally Occurring  
21 Retirement Communities, as well as the  
22 Neighborhood NORC model. These vital  
23 programs and resources help enable low- and  
24 middle-income New Yorkers to age in place, to

1 thrive in their communities, and to delay  
2 hospitalization, assisted living placement,  
3 or nursing home placement.

4 The programs and services that NORCs  
5 provide support a group that we really think  
6 might otherwise fall through the cracks. And  
7 in our conversations with directors of these  
8 programs, we learned that the resources that  
9 they provide -- many seniors have come to  
10 rely on them. This includes case management,  
11 socialization programs, social worker-  
12 assisted transportation services, shopping  
13 assistance, and basic health services. This,  
14 again, allows seniors to remain in their  
15 homes and greatly improves their quality of  
16 life.

17 In this year's Executive Budget we've  
18 been provided with level funding for the NORC  
19 and Neighborhood NORC programs. And while  
20 this is great, it is only \$2,027,500 for each  
21 program. Worse than this, we're very  
22 concerned with new language that intends to  
23 cut funding by an estimated \$951,000. And  
24 this is to programs that are really vital and

1           successfully serve seniors and allow them,  
2           again, to age in place.

3                       We recommend that at a minimum the  
4           Executive Budget terminate these -- that the  
5           language in the Executive Budget terminating  
6           these contracts should be either excluded  
7           from the final budget and also seriously  
8           reconsidered.

9                       We feel that it's essential that the  
10          state adopt significant changes to the  
11          Elder Law, and this includes a review of the  
12          program demographic and density requirements  
13          and an increase in funding statewide to  
14          \$10 million. This is \$5 million for the NORC  
15          program and \$5 million for the Neighborhood  
16          NORCs program. This will better serve this  
17          vulnerable and aging population.

18                      These changes will actually more  
19          adequately finance the existing programs and  
20          increase eligibility for essential services  
21          like this throughout the state. The intended  
22          program cuts evaluate the NORC programs based  
23          on, as I said, out-of-date density and  
24          demographic requirements. The current

1 Elder Law hasn't been reviewed for the past  
2 20 years. This is something that we urge you  
3 to consider. This means that programs whose  
4 numbers do not meet these statutory  
5 requirements, even by 1 or 2 percent, have  
6 their contracts terminated at their next  
7 renewal date. And this proposal is estimated  
8 to affect a substantial number of the NORCs  
9 throughout the state.

10           Instead of taking funding away from  
11 existing services, we urge you to be focused  
12 on meeting the needs of your seniors and  
13 expanding services for this ever-growing  
14 cohort.

15           The next item I'll discuss is actually  
16 a new funding request, and that's the  
17 Survivor Initiative for New York State.  
18 New York State is home to nearly 60,000  
19 Holocaust survivors, just over half of the  
20 110,000 survivors in the United States. And  
21 while the majority of this population  
22 actually does live downstate -- in New York  
23 City, the five boroughs, Long Island, and  
24 Westchester -- we've actually found in our

1 discussions that the Mid-Hudson Valley,  
2 Western New York, and Central New York  
3 regions also have a significant group.

4           According to the Claims Conference,  
5 just the general definition of a survivor, a  
6 Holocaust survivor, is a person, Jewish or  
7 non-Jewish, who was displaced, persecuted or  
8 discriminated against due to racial,  
9 religious, ethnic and political policies of  
10 the Nazis and their allies. In addition to  
11 the former inmates of concentration camps,  
12 ghettos, and prisons, this definition  
13 includes, among others, people who were  
14 refugees or were in hiding.

15           Survivors experience complications  
16 beyond the normal scope of aging, and the  
17 needs of this group can actually be more  
18 complex than those of the senior community at  
19 large. They live with the aftermath of  
20 trauma and experience higher rates of  
21 depression, anxiety and distrust of others.  
22 They have experienced childhood malnutrition  
23 and inadequate medical care growing up, and  
24 as a result they have brittle bones, poor

1 oral health, and other health issues. Some  
2 actually will not shower, and many do need to  
3 keep food close by at all times.

4 Many survivors live in poverty,  
5 subsisting on fixed incomes that do not  
6 adequately cover the cost of care or basic  
7 necessities like housing, food, and  
8 utilities. We found that New York's  
9 survivors, many of them live 200 percent  
10 below the federal poverty guidelines and  
11 nearly 35 percent cope with chronic illness  
12 and require assistance.

13 Seeing the amount of time, I'm just  
14 going to get to the ask. We request that  
15 following the support of both the federal  
16 government and the New York City Council, we  
17 hope that the Legislature will fund the  
18 Survivor Initiative at \$4 million. This will  
19 provide funding for specialized case  
20 management, caregiver training, mental health  
21 services, transportation services,  
22 socialization and legal services statewide,  
23 as well as end-of-life care. These critical  
24 supports enhance the quality of life for



1 Holocaust survivors as they live out their  
2 remaining years.

3 Thank you.

4 SENATOR KRUEGER: Any questions?

5 I want to thank you for your  
6 testimony. I do have one question; it's not  
7 within your testimony.

8 I think I read a story today that  
9 UJA-Federation is trying to get \$40 million  
10 back from FECS which went out of business.  
11 Do you know any details about that?

12 MS. STUCHIN: I can't speak to that,  
13 but I can bring the question back with me.

14 SENATOR KRUEGER: Thank you very much.

15 MS. STUCHIN: Thank you.

16 SENATOR KRUEGER: Thank you for your  
17 testimony.

18 CHAIRMAN FARRELL: Thank you.

19 SENATOR KRUEGER: Next to testify,  
20 Gerard Wallace, director, New York State  
21 Kinship Navigator.

22 And following, for people getting  
23 lined up, Yolanda McBride, Children's Aid  
24 Society, followed by Kate Breslin, Schuyler

1 Center. Thank you.

2 Good afternoon.

3 MR. WALLACE: Good afternoon. Thank  
4 you for the opportunity to speak.

5 I noticed that Assemblywoman Lupardo  
6 was here before, and I want to express my  
7 gratitude to her for the good work that she's  
8 done in the past two years in getting a  
9 million dollars added to kinship funding.  
10 And Senator Montgomery was here, and she was  
11 way back in the heyday of kinship funding in  
12 2009-2010, when we had a grand total of  
13 \$2.9 million for the kinship population.

14 And Senator Savino, who has always  
15 been a friend and a champion of kinship care.

16 Kinship care --

17 SENATOR KRUEGER: That leaves the  
18 three of us {inaudible} --

19 (Laughter.)

20 MR. WALLACE: I know. What wonderful  
21 people.

22 (Laughter.)

23 MR. WALLACE: I'm sure you're all  
24 supporters, okay?

1                   I'm Gerard Wallace. I started in  
2                   kinship care in 1997, first at Albany Law  
3                   School, then at Hunter College. Since 2006,  
4                   I'm the director of the Kinship Navigator  
5                   Program, the only statewide program serving  
6                   this community, funded in the Governor's  
7                   budget for \$220,000.

8                   I've had a federal grant for the past  
9                   three years with the Center for Human  
10                  Services Research. It's been a lot of  
11                  surveying and studies, and I'm going to be  
12                  referencing some of their data as we go  
13                  forward. I also will try and cite to the  
14                  page in case that's helpful if someone wants  
15                  to look at the graphic. Okay?

16                  Kinship care -- grandparents,  
17                  relatives raising kids, even family friends.  
18                  It is not foster care. To associate it with  
19                  foster care is to really misrepresent and do  
20                  an injustice to the kinship population.

21                  Estimates, page 6 -- 150,000 to  
22                  250,000 children -- the census data there  
23                  shows 218,000 kinship families. We really  
24                  don't know, but the number is huge.

1           Kinship care causes are in the  
2           literature. Abuse, neglect, abandonment,  
3           mental illness, incarceration, death of the  
4           parent -- these are the causes that are very  
5           similar to the reasons that children could be  
6           in foster care. The informal kinship  
7           population that I'm referring to is a child  
8           welfare system. It just happens to be one  
9           that isn't funded.

10           On page 13, part of our survey, the  
11           Center for Human Services Research has a  
12           table there of the causes of kinship care.  
13           You'll note that the two largest causes are  
14           mental illness of the mother and -- the  
15           largest one is child protective services  
16           involvement. Clearly our children are  
17           similarly situated to children in foster  
18           care.

19           On page 14, in another part of our  
20           survey, in a cohort data mining of child  
21           welfare data in five upstate counties, of the  
22           459 children, 86 percent of them had CPS  
23           investigations. Clearly our children are  
24           similar to children in foster care, but they

1 are not in foster care.

2 Kinship caregivers, their  
3 circumstances -- clinically high levels of  
4 stress, 40 percent. Trauma and loss, I have  
5 Center for Disease Control data in here  
6 showing that the ACE study, the Adverse  
7 Childhood Experiences, these kids have those  
8 experiences.

9 And poverty. The study that we have  
10 in the federal grant, 40 percent poverty rate  
11 for families upstate. These families are in  
12 tough shape.

13 Now, the worst thing we hear is "Child  
14 Protective Services gave me this child eight  
15 years ago. This is the first time I've found  
16 out there's help." That's what our programs  
17 do. We're the only outreach out there.

18 What are our programs? On the Kinship  
19 Navigator, the Kinship Navigator Information  
20 Referral, a warm line, a website with a lot  
21 of resources on it, advocacy, legal  
22 assistance, and policy work. Local kinship  
23 programs, funded by the good work of the  
24 Legislature -- 13 programs serving 17

1 counties. Some of the counties left out, for  
2 the benefit of the chair: Bath, Jamestown,  
3 and elsewhere in the state. Dutchess County,  
4 Poughkeepsie, and all the mid-level  
5 municipalities upstate are left out of the  
6 situation. And yet they are suffering  
7 tremendously, particularly along the Southern  
8 Tier, with the opioid epidemic, the heroin  
9 epidemic that's going on.

10 We deserve to do better for our  
11 kinship families. We can do better to them  
12 by providing the small ask that we have. The  
13 Kinship Navigator wants to implement, in the  
14 45 counties that it is the only resource,  
15 techniques that it learned in its federal  
16 grant that increased referrals from DSSs by  
17 600 percent. We want to collaborate in those  
18 counties.

19 In the local programs we deserve to  
20 have more, and the ones that are there  
21 deserve to have more too. You'll see in my  
22 recommendations what our ask is.

23 One other ask that I'd like to  
24 highlight is we need the Legislature to be

1 more involved in the kinship community.  
2 Whether it's hearings, whether it's  
3 roundtables, whether it's funding a study,  
4 this huge population is so badly served and  
5 in such dire straits, they deserve better  
6 attention -- for us to look at the reasons  
7 why child protective services is giving kids  
8 to relatives and to look at what we can do to  
9 serve them better.

10 I'm out of time. Thank you.

11 SENATOR KRUEGER: Well, you did a lot  
12 in that very short period of time.

13 MR. WALLACE: Thank you. Okay.

14 SENATOR KRUEGER: Senators?

15 Diane Savino.

16 SENATOR SAVINO: Hello, Gerry. How  
17 are you?

18 MR. WALLACE: Hi.

19 SENATOR SAVINO: I'm just curious, do  
20 you have -- how many children in the state  
21 are living in kin-care, kinship -- not  
22 kinship foster care, but living with  
23 relatives that are not -- where the children  
24 aren't in foster care. Do you have a sense

1 of that?

2 MR. WALLACE: I would say -- yes,  
3 well, the numbers range. Annie E. Casey  
4 estimates 153,000 children in kinship care,  
5 of which they say 5,000 are in foster care.

6 SENATOR SAVINO: Mm-hmm.

7 MR. WALLACE: We know the number in  
8 foster care -- which is an approximation,  
9 because the data is bad -- is under 6,000.  
10 But the range upward -- you can go from a low  
11 of 153,000 to other estimates over a  
12 quarter-million children living with  
13 relatives.

14 And again, this is a snapshot in time.  
15 One in 10 of all children will live with  
16 relatives during their childhood.

17 SENATOR SAVINO: And because these  
18 children aren't in foster care, you don't  
19 have a court order over them, you don't have  
20 a support rate. We may have court-ordered  
21 supervision, I guess.

22 MR. WALLACE: Prior to Article 6.

23 SENATOR SAVINO: Right.

24 MR. WALLACE: And there may be some



1 direct custodies, which is final for that  
2 10-17 outcome.

3 SENATOR SAVINO: Right.

4 MR. WALLACE: But for the most part,  
5 they've either gotten it on their own -- now,  
6 Erie County's a good example, where lawyers  
7 up there tell me that the county gives  
8 children to relatives and then cuts ties and  
9 they wind up in the legal service arena up  
10 there, going to family court.

11 SENATOR SAVINO: That's how we've  
12 wound up with kinship foster care to begin  
13 with. There was a landmark lawsuit brought  
14 against the City of New York --

15 MR. WALLACE: I'm sorry?

16 SENATOR SAVINO: That's how we wound  
17 up with kinship care to begin with.

18 MR. WALLACE: Only if they come into  
19 care and are subject to an Article 10.

20 SENATOR SAVINO: Right. But if you  
21 recall --

22 MR. WALLACE: They're not subject to  
23 Article 10 --

24 SENATOR SAVINO: I know that, Gerry.

1 But 30 years ago, that was --

2 MR. WALLACE: Yeah.

3 SENATOR SAVINO: -- this was the  
4 subject of a huge lawsuit against the City of  
5 New York.

6 MR. WALLACE: Yup. Mm-hmm.

7 SENATOR SAVINO: Because at that time  
8 the child welfare worker, the protective  
9 services would take children, drop them off  
10 with a relative, and leave them there. And  
11 provide no support services, no judicial  
12 oversight of the case -- actually, no service  
13 plan whatsoever.

14 And that led to a lawsuit against the  
15 city for not providing children with  
16 relatives with the same level of services as  
17 children in traditional foster care.

18 MR. WALLACE: Well, the same level of  
19 services is the key. If they're in the  
20 system, they have to get the same level of  
21 services.

22 What I'm portraying here is they don't  
23 get in. And that's what our data in our  
24 federal work backs up. So that's the

1 distinction.

2 SENATOR SAVINO: Mm-hmm.

3 MR. WALLACE: The distinction is  
4 they're not in the database, they're in the  
5 CPS record, the case record that goes no  
6 further than the desk of the CPS worker. No  
7 one understands or can give a real estimate  
8 as to how much of this is going on. But we  
9 hear it anecdotally all the time.

10 SENATOR SAVINO: Oh, that's  
11 outrageous.

12 MR. WALLACE: It is. It truly is.

13 SENATOR SAVINO: We should -- well,  
14 you know, we -- we've had a long  
15 relationship, and I think we should probably  
16 talk more about this post-budget.

17 MR. WALLACE: Yeah. Really, the  
18 investigation by the Legislature into this  
19 practice -- and I would say on both sides.  
20 CPS wants to do the job right, they're  
21 overwhelmed. Kin are a resource, the  
22 counties are strapped for money, you know.  
23 Depending on the county you're in, there are  
24 wholesale practices to use kin on the cheap.

1                   SENATOR SAVINO: But foster board rate  
2 is predominantly reimbursed by the federal  
3 government.

4                   MR. WALLACE: Administrative costs,  
5 court costs. You know, caseloads.

6                   SENATOR SAVINO: Mm-hmm.

7                   MR. WALLACE: And -- an dit's gone.

8                   SENATOR SAVINO: Mm-hmm. Okay.

9                   Thank you.

10                  SENATOR KRUEGER: A follow-up on  
11 Diane's question.

12                  So why do you think you end up in a  
13 better situation if you get pulled out of  
14 foster care eligibility and move into the  
15 adoption subsidy category? Won't --

16                  MR. WALLACE: Well, that's KinGAP.  
17 KinGAP again applies to that small sliver of  
18 foster parents who are kin.

19                  The KinGAP report has not been  
20 released by the Governor, but the last one I  
21 saw, which is at least two years ago, there  
22 are less than 2,000 KinGAPs done in a year --  
23 Kinship Guardian Assistance Program. And the  
24 counties resisted it when it was enacted,

1           because they were using the same money from  
2           the social services block grant that they had  
3           to use for other purposes.

4                        So the idea is they'd be more willing  
5           and there would be less roadblocks to kin  
6           exiting foster care as guardians with that  
7           grant if the funding stream was part of the  
8           adoption subsidy.

9                        That's all well and good, and we  
10          support that. My emphasis here is to say  
11          that's missing the target.

12                       SENATOR KRUEGER: I guess I've been  
13          here in the Senate for about 14 1/2 years.  
14          Before, I spent 20 years in direct service.  
15          And at that time, even up to say the year  
16          2000, what we would see in the City of  
17          New York, despite the court case that Diane  
18          is correct about, would be the grandparent or  
19          other relative would take the child because  
20          Mom, Dad went to jail, went to a psychiatric  
21          hospital, were incapable of caring for them.

22                        The adult would eventually come and  
23          say "I can't afford to keep this child, I  
24          can't afford the rent with an additional

1 child or children, help me." They would be  
2 advised to go on, add the children to the  
3 public assistance case. When that was  
4 inadequate -- because it was -- they would  
5 say, "I heard a rumor I could be eligible for  
6 something called kinship foster care," and  
7 they would be told "You have to say you're  
8 giving up the kids unless you get the kinship  
9 care. And if you threaten to give up the  
10 kids, we'll determine you aren't qualified to  
11 be the kinship adult." Therefore --

12 MR. WALLACE: That practice continues.

13 SENATOR KRUEGER: -- therefore it's a  
14 lose-lose. And we used to have to fight that  
15 day and night.

16 And you're telling me nothing has  
17 changed 15 years later?

18 MR. WALLACE: I'm telling you that the  
19 practice of surrender, the threat by some  
20 counties is you'll never get the kid back.  
21 And they -- there are many ways in which they  
22 dissuade families, kinship families, from  
23 wanting to be in foster care.

24 And I've written papers on it, I've

1 written one recently for the Child Welfare  
2 League of America on these practices. And  
3 I'm not even -- I'm saying everyone's  
4 overwhelmed. We need to make better  
5 decisions about who gets into foster care and  
6 who doesn't.

7 And the only way to do that is to get  
8 good assessment tools and to put in place  
9 good practices for CPS to at least figure  
10 this out and not worry about mom sneaking in  
11 the back door and doing something crazy  
12 because they dumped the child and there's no  
13 oversight. You know?

14 SENATOR KRUEGER: So I know that OCFS  
15 happens to still be in the room. So consider  
16 this a request, that OCS come and visit  
17 myself and the other Senator who'd like to  
18 join us to explore why we're still hearing  
19 the same stories 15 and 20 years later  
20 statewide.

21 MR. WALLACE: Thank you. Yeah.

22 SENATOR KRUEGER: Thank you very much  
23 for your testimony.

24 MR. WALLACE: Thank you.

1                   SENATOR KRUEGER: Any other?

2                   No. Thank you for your testimony.

3                   MR. WALLACE: Thank you very much.

4                   SENATOR KRUEGER: And our next  
5                   testifier I think is Yolanda McBride from  
6                   Children's Aid Society. Is she here?  
7                   Because we didn't see any testimony.

8                   Oh, somebody's coming down? No?  
9                   Okay, goodbye, Children's Aid Society. You  
10                  had your chance.

11                  Kate Breslin --

12                  (Laughter.)

13                  SENATOR KRUEGER: I get mean at the  
14                  end of the day. I'm sorry, folks.

15                  Hello, lovely Kate Breslin from the  
16                  Schuyler Center. Come and testify. Thank  
17                  you.

18                  MS. BRESLIN: Hi, there. Thank you.  
19                  Thank you all for sticking it out.

20                  I'm Kate Breslin, from the Schuyler  
21                  Center for Analysis and Advocacy, and with me  
22                  is our senior policy person, Kari Siddiqui.

23                  And because we were just talking about  
24                  it and I was going to mention it anyway, I



1 just want to support what Gerry Wallace just  
2 said about kinship care. And I think it  
3 sometimes gets left out because, as Gerry  
4 says, it really is part of what we think of  
5 as our child welfare system, but we don't  
6 think about it in our child welfare system,  
7 and all the problems that Gerry talked about  
8 are things that we hear too.

9 And I know that several of you have  
10 asked questions during the day about the  
11 opiate epidemic and things like that, and I  
12 think it would not surprise me if we continue  
13 to rely on kinship caregiver arrangements  
14 even more in that context. And we just don't  
15 know, we don't know what the numbers are, we  
16 just know they're big.

17 So I want to just call out that over  
18 the last several years, particularly in the  
19 areas of funding for programs for children  
20 and families, we really haven't seen a lot of  
21 attention to those things from the Governor,  
22 and we're very concerned about it.

23 So our testimony -- I won't get into a  
24 lot of detail -- I do know, I've been here a

1 lot of today and I know that they've been  
2 touched upon. But I want to support your  
3 interest and what I heard from many of our  
4 advocate friends around increasing funding  
5 for childcare for all the reasons -- both,  
6 you know, for parents, for kids, and for  
7 economic development.

8 I also want to call out that we've  
9 been coordinating a maternal/infant early  
10 childhood home visiting workgroup for  
11 probably 10 years, and the reason we've been  
12 doing that is because the benefits of those  
13 programs are very clear. In New York State  
14 we fund them in different ways. We fund them  
15 out of different agencies, and so there's  
16 always a lot of confusion. So we felt  
17 like -- we felt as though there was a reason  
18 to bring people together to try and come up  
19 with some unity around articulating the  
20 benefits and advocating for cohesive funding.

21 So we are, together with many of our  
22 friends, advocating for some thought put into  
23 where there is need. Many of you asked  
24 questions about to what extent do those

1 programs meet demand. Not at all. We worked  
2 with the Council on Children and Families and  
3 developed some great maps that kind of show  
4 need and then capacity, and it's pretty clear  
5 that there are some pockets in the state that  
6 have great home visiting programs and then  
7 huge swaths of the state that really don't  
8 have any. And we know that they have  
9 benefits, they've been proven over years.

10 In child welfare, it's a massive  
11 system and it's really complicated, and I  
12 know that people have touched on parts of it  
13 today. We're one of the folks, you know,  
14 we're one of the folks who come here not  
15 asking for funding for our agencies. We're a  
16 nonprofit organization that is funded with  
17 private philanthropic dollars.

18 We think that we need to pay attention  
19 to preventive services so New York does  
20 invest in what we call preventive services.  
21 However, those are only available once a case  
22 is opened. So when we had a convening that  
23 brought together families and parents, young  
24 people and service providers, they called

1           that -- at that point, you're five minutes to  
2           foster care. So once you are able to access  
3           these preventive dollars, those so-called  
4           preventive dollars, you're kind of already,  
5           you know, tipping and on the way in.

6                         So we are advocating that we as a  
7           state should -- two things. We should be  
8           investing in real prevention and  
9           community-based prevention that can be used  
10          before cases are opened, and also a closer  
11          look at the effectiveness of how the  
12          preventive dollars are spent.

13                        We have no idea. So we do know that  
14          foster care numbers have gone down in the  
15          last decade or more. We do know that we have  
16          preventive programs. We have zero  
17          measurements in New York about whether those  
18          preventive dollars are doing anything. I'm  
19          not suggesting that they're not. We don't  
20          know.

21                        We want to support the addition of the  
22          \$1.5 million that you all put in to get young  
23          people in foster care or who had been in  
24          foster care to go college. And that's

1           been -- from what we have heard, it's been a  
2           success. And we urge you to add to that.  
3           The Governor put money in this year, which is  
4           great. We urge you to increase that funding  
5           to support kids going to college.

6                         We also want to call out the  
7           importance of -- there's a housing subsidy  
8           for young people in care or who have aged out  
9           from foster care. You won't see this in our  
10          testimony, simply because we neglected to put  
11          it in. But we urge you to increase the  
12          housing subsidy. We'd hoped to kind of grab  
13          on to all the excitement about housing and  
14          the rest of the budget. And we are very  
15          appreciative, we know Assemblyman Hevesi's  
16          supportive of this. But we think it's  
17          important.

18                        The subsidy right now is \$300  
19          throughout the state, and a young person  
20          essentially can't have a roommate and has to  
21          prove that that \$300 will stabilize their  
22          housing. So we need to increase it. And  
23          just as a side note, 1,300 young people age  
24          out of care every year. And so when we're

1 talking -- and we know that many of them are  
2 likely -- you know, we have some statistics  
3 nationally and in the state -- but many of  
4 them are likely to become homeless, either  
5 officially homeless or couch surfing. So  
6 there's great reasons to put some more money  
7 into that.

8 Let's see. We talked about kinship  
9 care, so I will skip our piece on that. And  
10 then we support raising the age again this  
11 year.

12 And then finally, at the end of our  
13 testimony, we look at issues relating to  
14 family economic security. While those may  
15 not be in the OCFS or OTDA budgets, many of  
16 the programs and services upon which families  
17 rely, especially at-risk families, they rely  
18 on them because they're living in poverty.  
19 And they wouldn't be at risk of being in the  
20 child welfare system or in any of these  
21 systems if they had economic stability.

22 So that's why you'll see that we call  
23 attention to the importance of raising the  
24 minimum wage and funding it for human

1 services, of paid family leave, and of an  
2 increase in the Earned Income Tax Credit for  
3 low-income families.

4 CHAIRMAN FARRELL: Thank you.

5 SENATOR KRUEGER: Thank you.

6 Any Senator questions? Assembly  
7 questions?

8 I just have one. So you talked about  
9 the money for post-foster care rental  
10 assistance. It's only \$300 dollars a month,  
11 and they can't have a roommate. Why would we  
12 have a rule like that?

13 MS. BRESLIN: It doesn't officially  
14 say they can't have a roommate, but it's so  
15 administratively -- it's administratively  
16 burdensome if you do have a roommate. So  
17 there are efforts underway to try and  
18 streamline that. And it would take -- it  
19 would take a change in statute.

20 SENATOR KRUEGER: So, I mean, the \$300  
21 amount is absurd to start with, but we --

22 MS. BRESLIN: And then the strings --  
23 so it's both.

24 SENATOR KRUEGER: Yes, then to

1           actually say, So you've aged out of foster  
2           care, you've got nobody else out there in the  
3           world, and guess what -- don't you dare find  
4           somebody to help you with --

5                     MS. BRESLIN: To share rent with.

6                     SENATOR KRUEGER: -- board and  
7           housing.

8                     MS. BRESLIN: You're right.

9                     SENATOR KRUEGER: So, you know, some  
10          strange devil wrote that statute. We should  
11          look into that also.

12                    CHAIRMAN FARRELL: Somebody from the  
13          1940s.

14                    (Laughter.)

15                    SENATOR KRUEGER: But wait. You've  
16          been here since the 1870s --

17                    (Laughter.)

18                    CHAIRMAN FARRELL: I remember my  
19          amendments.

20                    SENATOR KRUEGER: We went down this  
21          road, Denny.

22                    I'm sorry, we're all a little, you  
23          know -- we spend too much time together in  
24          this room.



1 MS. BRESLIN: We are too.

2 SENATOR KRUEGER: Thank you very much,  
3 both of you, for your testimony.

4 And our next testifier, and I see her  
5 there, Susan Antos from the Empire Justice  
6 Center.

7 And, for those tracking, followed by  
8 Advocates for Children, Randi Levine,  
9 followed by Center for Children's  
10 Initiatives, Betty Holcomb.

11 Hello, Susan.

12 MS. ANTOS: Good evening.

13 SENATOR KRUEGER: Good evening.

14 MS. ANTOS: Thank you for staying.

15 And thank you for your interest in these  
16 very, very important issues. The work you do  
17 is so important to us. Thank you so much.

18 Since it's late in the day and my  
19 remarks are in writing, I'm just going to  
20 highlight a few points that are in our  
21 testimony.

22 As you know, the Empire Justice Center  
23 is a multi-issue organization. And on page 2  
24 of our testimony we list the seven areas that

1 are in our testimony, including increasing  
2 funding for a managed-care consumer  
3 assistance program; continued investment in  
4 the disability advocacy program; expanded  
5 categorical eligibility of SNAP benefits --  
6 which the Governor has recommended and we  
7 support; increased fuel and shelter  
8 allowances; elimination of asset tests; and  
9 two childcare items.

10 I am only going to talk about the last  
11 four items. I don't believe, although I  
12 didn't listen to everyone -- but I don't  
13 believe that anyone has spoken about the fuel  
14 and shelter allowances, and I think that's an  
15 important piece of the homelessness puzzle.

16 We are thrilled with the homelessness  
17 initiatives that people are talking about,  
18 and we're glad that there is this interest in  
19 increased investment in homelessness. But we  
20 can't be sheltering people on one side and  
21 pushing them off the cliff on the other.

22 And that's what's happening in the  
23 public assistance system. On page 6 of our  
24 testimony there's a box highlighted in green

1           about a woman who came to our office a short  
2           time ago. She's 58 years old, and she has an  
3           apartment that costs \$575 a month. A  
4           bargain, right? Except she's a single  
5           individual, and that shelter allowance for a  
6           single individual in Albany County is  
7           under -- well, if you were -- I'm sorry, if  
8           you're a family of three, it's \$309. I  
9           believe it's about \$190 if you're a single  
10          individual. So with her living allowance --  
11          her total shelter allowance and living  
12          allowance does not even total what her rent  
13          is.

14                        So her landlord for a while let her  
15          stay because she kept looking for work, she'd  
16          find a job. She had a very difficult time,  
17          and she's facing eviction. She's going to be  
18          in a shelter soon, I'm sure. Because the  
19          total of her grant, living and shelter  
20          allowance, was only \$425 a month.

21                        The shelter allowance for a family of  
22          three in New York City is \$400 a month. So  
23          as you're sheltering people on one side --  
24          when a family's in crisis, giving them \$400

1 to pay for rent in New York City is not going  
2 to find them a house. I think you all know  
3 that.

4 The upstate -- the family of three in  
5 Albany is \$309, in Erie County it's \$301.  
6 It's really between \$300 to \$400 just about  
7 in every county of the state.

8 So we have a proposal. We've written  
9 a report called "Turn up the Heat," and some  
10 of that is available on our website. What we  
11 are proposing is that we use the fair market  
12 rent as a standard by which to set our  
13 shelter allowance.

14 We have a modest request that right  
15 now shelter allowances be set at 50 percent  
16 of the fair market rent. Right now, you can  
17 see that the one-bedroom fair market rent  
18 rates are much, much lower. So we'd like you  
19 to consider that, as well as an increase in  
20 the fuel allowance.

21 Part of the public assistance grant  
22 for people who pay for their own heat is an  
23 allowance to pay for fuel. It varies  
24 depending on whether or not you pay for

1 electric or whether or not you pay for your  
2 heat by oil. But our recommendation is that  
3 these allowances be raised. They have not  
4 been raised since 1987.

5 And so what I wanted to -- so that's  
6 over 30 years ago, and since that time the  
7 cost of heating oil -- even though it's come  
8 down, the cost of heating oil is four times  
9 what it was in 1987. And the cost of natural  
10 gas is double what it was in 1987.

11 So families who pay for their own heat  
12 outside of New York City -- that's a  
13 substantial number of people -- are really  
14 squeezed by very inadequate shelter  
15 allowances. We believe that the low shelter  
16 allowance and the cost of fuel -- I'm sorry,  
17 the low rental allowance -- are pushing  
18 people into homelessness.

19 Our other recommendation has to do  
20 with the asset test. Another recommendation.  
21 We're in a minority of states now that have a  
22 very low asset limit for automobiles. If in  
23 fact we are what we say we are, which is a  
24 temporary assistance program, we need to do

1 everything we can to make sure that families  
2 that need to rely on public assistance can  
3 get out and can get to work. And one way  
4 they can do that is with a reliable car.

5 There are only 11 other states in the  
6 country that do not exempt a car totally.  
7 And we need to not be in the forefront in  
8 this area.

9 Additionally, our rental allowance  
10 discriminates against people with  
11 disabilities, because we have a higher  
12 resource level for people who are able to  
13 work and a lower resource level for people  
14 who are not able to work.

15 Finally -- and I know I'm out of time  
16 here, I'm just going to walk you through -- I  
17 know you've had a lot of people testify about  
18 childcare today. We join everyone with the  
19 ask for \$190 million. I want to let you know  
20 what resources are in our testimony for you.

21 If you want a detailed explanation of  
22 what's required by the federal law, if you  
23 start on page 12 of our testimony we've given  
24 you a breakdown, including all the federal

1 and statutory and regulatory citations,  
2 including the citations to the New York State  
3 plan to the federal government which explains  
4 in detail the new requirement for a 12-month  
5 eligibility period regardless of income  
6 unless the income goes over 85 percent of  
7 state median income.

8 The requirement for a graduated  
9 phase-out of childcare subsidy assistance as  
10 long as the family is under 85 percent of  
11 state median income.

12 A requirement that childcare subsidies  
13 be portable across counties -- this is huge  
14 for us upstate, and we're so glad to see it,  
15 but there needs to be money to pay for it.

16 We're also thrilled that there's a  
17 greater emphasis on serving homeless  
18 families. Under the plan, the draft plan  
19 that OCFS proposes to file with the feds,  
20 there is a priority given to homeless  
21 families, which we're thrilled about, but  
22 that means that we need to protect low-income  
23 working families as well who have subsidies,  
24 so we're not taking subsidies from low-income

1 working families to pay for subsidies to  
2 homeless families.

3 The federal law also requires that  
4 absences be paid for, just like those of us  
5 who have paid for childcare had to pay for  
6 absences. They'll be on a footing with other  
7 people in the private marketplace. There are  
8 provisions for fluctuations in earning.  
9 There are priorities for special-needs  
10 children.

11 And just to add into the mix, our  
12 market rate is up for readjustment in June.  
13 We want to keep it at a rate that keeps  
14 providers whole, not see providers lose money  
15 to pay for these federally mandated changes  
16 that don't come with a lot of money behind  
17 them.

18 So I hope you find this a resource.  
19 I'm happy to answer any questions. Thank you  
20 for hanging in; I know it's been a long day.

21 CHAIRMAN FARRELL: Thank you.

22 SENATOR KRUEGER: Thank you very much,  
23 Susan. I believe we have a question from --

24 ASSEMBLYMAN HEVESI: We do.



1                   SENATOR KRUEGER:  -- Assemblymember

2                   Hevesi.

3                   ASSEMBLYMAN HEVESI:  We do.  I will go

4                   quick.

5                   First, Susan, hi.

6                   MS. ANTOS:  Hi.

7                   ASSEMBLYMAN HEVESI:  A thank you to

8                   you and Christopher for all of your work.

9                   And I think my guys reached out to you, I

10                  actually need you tomorrow, so thank you.

11                  Okay.  So I just want to drill down on

12                  one thing, the shelter allowance.  Okay, so

13                  once we get a sense of an issue, we can be

14                  relatively aggressive, and that's what we're

15                  here to do.  The shelter allowance we have

16                  sort of not been aggressive about, because --

17                  I may be under some false impression, but

18                  maybe you could help it with me.  It's my

19                  understanding that there's a legal case

20                  against the state regarding the shelter

21                  allowance right now because it hasn't been

22                  raised since 1987.  And that case was

23                  brought, what, like a month ago, or two?  Is

24                  that right?

1 MS. ANTOS: I believe it's just in  
2 New York City.

3 ASSEMBLYMAN HEVESI: Oh, okay.

4 MS. ANTOS: And it only involves  
5 families with children. Because there's a  
6 statute that says that the shelter allowance  
7 has to be adequate to allow children to  
8 remain in their homes. And so that's why  
9 people like Ms. V, who's in our testimony,  
10 have a much lower shelter allowance because  
11 when the first shelter allowance case, which  
12 was caused Jiggetts, was litigated and  
13 settled, that applied to families with  
14 children.

15 Those shelter allowances went up, the  
16 shelter allowances for singles stayed much  
17 lower. That's why it's virtually impossible  
18 for a single individual to find a place to  
19 live on the current shelter allowance.

20 ASSEMBLYMAN HEVESI: Right. So I  
21 agree with you that the shelter allowance or  
22 FEPS or any rental subsidy should be  
23 somewhere close to the fair market rate.  
24 That's the only logical way to do it. So I

1 agree with your proposal.

2 The reason that I have not been  
3 advocating or going full force for the  
4 shelter allowance at this point is because my  
5 understanding is that if you introduce a bill  
6 or go after it budgetarily while there's  
7 litigation, the judge can actually -- if that  
8 doesn't pass, if your bill doesn't pass or  
9 your budget ask doesn't pass, the judge in  
10 the case can actually say no, we're not going  
11 to rule on this because the Legislature  
12 didn't pass it, and therefore it's out of the  
13 jurisdiction of the courts. It only goes  
14 back to the Legislature.

15 So I didn't -- part of the hesitation  
16 for me is the legality of it. I don't want  
17 to go for it, possibly not get it, and then  
18 screw up a court case. Does that make sense?

19 MS. ANTOS: Well, let me talk to my  
20 colleagues in New York City.

21 ASSEMBLYMAN HEVESI: Okay. Please.  
22 Because otherwise, to be honest with you, I  
23 agree the shelter allowance, 1987 -- it's  
24 ridiculous. And we would go after it

1 wholeheartedly; I'm just afraid going after  
2 it and losing affects not only losing in the  
3 legislative and executive branch, but would  
4 cause a loss in the judicial branch as well.  
5 And I don't want that. So if you could let  
6 me know.

7 MS. ANTOS: I will.

8 ASSEMBLYMAN HEVESI: I could be  
9 completely misinformed.

10 MS. ANTOS: I'll talk to my colleagues  
11 and get back to you.

12 ASSEMBLYMAN HEVESI: Thank you very  
13 much.

14 SENATOR KRUEGER: Thank you.

15 Although I just want -- Susan, you're  
16 free to go -- I want to also thank you from  
17 the Empire Justice Center for everything you  
18 do, and the testimony is extremely detailed  
19 and complete.

20 One thing that you, I think, didn't  
21 have a chance to go over, but it ties into  
22 earlier testimony -- and I was actually  
23 speaking to the chair when someone else was  
24 testifying. So we are making people put

1           their children in infant care slots so they  
2           can go work somewhere that pays them far less  
3           than \$14,000 a year, and we are paying  
4           \$14,000 a year for an infant care slot -- or  
5           you had charts actually showing the range.  
6           That's crazy in its own perspective.

7                         But your point that you didn't have a  
8           chance to make tonight, but I just wanted to  
9           highlight for us, if we stopped mandating  
10          that women on public assistance leave their  
11          children in infant care slots, which  
12          government pays for to the tune of 10,000 to  
13          14,000 a year, to seek out work experience or  
14          jobs that don't even pay them what we're  
15          paying for childcare slots, they could stay  
16          home providing better care for their infants.  
17          And as you pointed out in your testimony, we  
18          could turn that money into up to three times  
19          as many subsidized slots for older children  
20          for working mothers.

21                         So I think that is such a critical  
22          sort of tie-in for this legislative body to  
23          grasp. So I wanted to highlight that.

24                         MS. ANTOS: Thank you for raising



1 with you today. My name is Randi Levine, and  
2 I am the policy coordinator at Advocates for  
3 Children of New York.

4 For more than 40 years, Advocates for  
5 Children has worked to promote access to the  
6 best education New York can provide for all  
7 students, especially students from low-income  
8 backgrounds. Every year we help thousands of  
9 New York parents navigate the education  
10 system, and we use our on-the-ground  
11 experience to identify barriers to education  
12 and to work to pursue systemic change.

13 We support increased funding for  
14 several of the programs that have been  
15 mentioned throughout the day, including home  
16 visiting programs. But I want to focus today  
17 on childcare.

18 As an education advocacy organization,  
19 we know that the first five years of  
20 children's lives have a profound impact on  
21 their education and future. Long-term  
22 research shows that children from low-income  
23 backgrounds who are left out of high-quality  
24 early childhood education programs are more

1           likely to be retained a grade, to be placed  
2           in special education classes, and to drop out  
3           of school than children who have access to  
4           such programs. And leading economists have  
5           found substantial savings by participating in  
6           early childhood education programs.

7                         For many families with low incomes,  
8           subsidized childcare provides the only  
9           opportunity to access early childhood  
10          education for their children. And of course  
11          it also helps families to work. However, due  
12          to limited funding, only 22 percent of  
13          income-eligible children have access to  
14          subsidized childcare in New York State.

15                        As you heard today, the recent  
16          reauthorization of the federal childcare law,  
17          the Child Care and Development Block Grant,  
18          or CCDBG, brings significant opportunities as  
19          well as significant challenges. We are  
20          pleased with a lot of the changes in the law;  
21          however, we understand that these changes  
22          have substantial financial costs.

23                        Unfortunately, the Executive Budget  
24          includes a mere \$10 million in additional



1 funding for childcare. This funding falls  
2 far short of the investment we need to  
3 prevent children from losing access to  
4 subsidized childcare.

5 And that's why we're joining with the  
6 many others who have spoken today in calling  
7 on the Legislature to increase childcare  
8 funding by at least \$190 million. As you've  
9 heard, the state has estimated that it will  
10 cost at least \$90 million to implement only  
11 the health and safety new requirements of the  
12 law -- the inspections, the background  
13 checks, the training on health and safety.

14 Additional funding is needed because  
15 the market rate will take effect, the new  
16 market rate will take effect based on the  
17 state's market survey in June 2016, and we  
18 want to ensure that childcare providers are  
19 paid an adequate rate.

20 We also want to note that in its draft  
21 childcare plan, OCFS mentioned that it is  
22 assessing the market rate that it pays for  
23 children with special needs. And we think  
24 that this is an important area to address as

1 well, to make sure that childcare providers  
2 can serve all children regardless of ability  
3 and disability.

4           And Susan Antos mentioned a number of  
5 the other changes that are being made because  
6 of requirements in the federal law. I'll  
7 just highlight one. The federal law has  
8 several new provisions aimed at providing  
9 increased access to children who are  
10 homeless. Currently, in New York State,  
11 children who are homeless are eligible for  
12 subsidized childcare only if their parents  
13 fall into an existing category of  
14 eligibility, such as receiving public  
15 assistance or meeting certain work and income  
16 requirements.

17           We have received calls from families  
18 who are experiencing homelessness and are  
19 desperate for childcare for their young  
20 children but do not meet the current  
21 eligibility criteria. We are very pleased  
22 that the draft childcare plan released by  
23 OCFS included the state's intent to make  
24 children who are homeless categorically

1 eligible for childcare, in line with the new  
2 federal priority in serving children who are  
3 homeless.

4           This change would have a significant  
5 impact on the lives of young children  
6 experiencing homelessness. Childcare is  
7 critical for these children. It provides  
8 them with a safe, developmentally appropriate  
9 place to learn and prepare for kindergarten,  
10 and it allows their parents to be able to  
11 look for housing and jobs.

12           Furthermore, a disproportionate number  
13 of children who are homeless experience  
14 delays in their development. Connecting  
15 these children to high-quality childcare  
16 programs not only helps them prepare for  
17 kindergarten, but also allows educators to  
18 monitor their development and connect them  
19 with services when appropriate.

20           But we must ensure that there is  
21 adequate funding for children who are  
22 homeless to access childcare subsidies, along  
23 with making these additional required  
24 changes. Therefore, we are asking

1           legislators to invest at least \$190 million  
2           in new funding for childcare. Given the  
3           significant unmet needs that already exist,  
4           we want to ensure that the state does not  
5           fund these new requirements by decreasing the  
6           number of children who have access to  
7           childcare. Rather, we need new funding.

8                         We look forward to working with you as  
9           the budget season progresses. Thank you for  
10          the opportunity to testify, and I'd be happy  
11          to answer any questions that you have.

12                        SENATOR KRUEGER: Thank you.

13                        Any Assembly? Any Senate?

14                        CHAIRMAN FARRELL: Thank you.

15                        MS. LEVINE: Thank you.

16                        SENATOR KRUEGER: Thank you very much  
17          for your testimony. It's not lack of  
18          interest, it's the time.

19                        And our next testifier, Betty Holcomb,  
20          Center for Children's Initiatives. And there  
21          was no testimony submitted, so it's possible  
22          she wasn't here? Correct, she wasn't here.

23                        And then we have one additional  
24          cancellation, so I believe our next and last

1           testifier is Melanie Blow -- I'm probably  
2           reading it completely wrong -- chief  
3           operating officer of the Stop Abuse Campaign.

4                     Blow? Well, you're going to cover it  
5           here, and you're going to tell me your name  
6           if I've done it wrong.

7                     MS. BLOW: No, it's Blow.

8                     SENATOR KRUEGER: Thank you.

9                     MS. BLOW: It's very logical and it  
10          confuses people all the time, so take no  
11          offense.

12                    Thank you so much for hearing me  
13          today. My name is Melanie Blow. I'm the COO  
14          for Stop Abuse Campaign. We protect children  
15          by preventing trauma, particularly  
16          life-altering traumas such as child abuse,  
17          neglect and maltreatment.

18                    Everybody knows that child abuse is  
19          bad. The Centers for Disease Control  
20          conducted the Adverse Childhood Experience  
21          study in the '90s, which proved that it was a  
22          lot worse than we thought it was. It proved  
23          that any and all child abuse, neglect, and  
24          maltreatment harms a child for their entire

1 life. We had known for a long time that  
2 abused, neglected, and maltreated children  
3 were more likely to be criminals, suffer  
4 mental illness, suffer drug addiction. We  
5 didn't realize that they're also more likely  
6 to die from cancer, heart disease, diabetes,  
7 things like that. Which means prevention is  
8 absolutely, positively the most important  
9 thing.

10 And I completely -- introducing  
11 myself, I completely forgot to start off with  
12 our ask, our one and only ask, which is that  
13 you kindly invest at least 4.5 million new  
14 dollars in maternal home visiting throughout  
15 the state.

16 Okay. So adverse childhood  
17 experiences harm children for the rest of  
18 their lives. Flint, Michigan, did something  
19 similar that everybody in this room has heard  
20 about; they made a decision that very  
21 predictably was going to expose children to  
22 lead. Lead functions much like an adverse  
23 childhood experience. Lead causes short-term  
24 physical harm to children, long-term physical

1           harm to children, cognitive issues to  
2           children, educational disabilities to  
3           children, and makes them more likely to be  
4           arrested as adults. So do adverse childhood  
5           experiences.

6                         With Flint, there was the word  
7           "poisoning," so people got very excited about  
8           that and really, Hey, somebody's purposefully  
9           doing something bad to children, we've got to  
10          stop that. When we don't invest in maternal  
11          home visiting, we've actually harmed many  
12          more children than Flint has, in 20 years, by  
13          not investing in these programs the way we  
14          need to invest in them. But that's  
15          considered business as usual.

16                        We always say we can't afford to  
17          invest in maternal home visiting. We don't  
18          like spending money on CPS, but we do it.  
19          CPS costs more. We don't like spending money  
20          on special education, but we do it. That  
21          costs more. Right now, something I've heard  
22          us talk about quite a bit today, we don't  
23          like spending money on treating opiate  
24          addiction right now. That costs a lot more.

1 All of those things are preventable by  
2 maternal home visiting.

3 It costs about \$1 million to  
4 investigate a murder in New York State.  
5 There are about 250 children who die directly  
6 from abuse, neglect, or maltreatment. Two  
7 hundred fifty million dollars would enroll  
8 about 81,000 children in -- in one of the --  
9 average price of the maternal home visiting  
10 services. That would not quite provide  
11 universal access, but it would come awfully  
12 close. And this is money we already spend.

13 In October I went to the funeral for  
14 Vernay-lah Laventure, who was a  
15 four-month-old baby beaten to death by her  
16 mother. They had to bury her with this  
17 little white cap that masked how her skull  
18 was broken. Her mother was desperate. We  
19 know how to keep mothers from being  
20 desperate, and maternal home visiting  
21 services do that.

22 In January I met with a bunch of women  
23 who were enrolled in one of the programs.  
24 One of them told me about how her baby was



1           born with serious complications. This woman  
2           is an abuse survivor, she was a recovering  
3           drug addict, she didn't know what to do.  
4           This was her first baby. She had no idea how  
5           to parent him.

6                     One of the home visitors told her to  
7           read to him, so she did. She read to him in  
8           the NICU. Three other babies were born with  
9           similar complications in the NICU that day;  
10          hers is the only one that lived.

11                    And this is -- to me, those two  
12          stories represent the choice New York is at  
13          right now. We can invest in preventing  
14          abuse, or we can invest in mopping up its  
15          consequences. Preventing it is a lot cheaper  
16          and yields much better results, and it's the  
17          compassionate thing to do.

18                    I guess that's why we're asking for an  
19          investment of at least 4.5 million new  
20          dollars in maternal home visiting, which has  
21          been flat-funded for the last decade.

22                    Thank you very much. Nine seconds.

23                    (Laughter.)

24                    CHAIRWOMAN YOUNG: Any questions?

1                   CHAIRMAN FARRELL: Thank you.

2                   CHAIRWOMAN YOUNG: No questions?

3                   Well, thank you so much for  
4 participating today. And we certainly  
5 appreciate everyone who took the time to  
6 educate us about the impact of the Executive  
7 Budget on human services.

8                   So that concludes our hearing. And  
9 there is just one more that needs to be set  
10 up regarding the MTA, but other than that, we  
11 have achieved a lot of the work through the  
12 hearing process.

13                   So I want to thank all of my  
14 colleagues for their patience, for their hard  
15 work and participation, and look forward to  
16 continuing onward through the state budget  
17 process for this year. Thank you.

18                   SENATOR KRUEGER: Thank you.

19                   CHAIRMAN FARRELL: Thank you.

20                   (Whereupon, the budget hearing  
21 concluded at 5:45 p.m.)  
22  
23  
24

